FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

Central Eurasia

FBIS-SOV-93-131
Monday
12 July 1993

Daily Report
Central Eurasia

FBIS-SOV-93-131 CONTENTS *12 July 1993*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERREGIONAL AFFAIRS

Russia, Ukraine, Belarus Prime Ministers To Meet *[ITAR-TASS]* 1
  Begin Meeting in Moscow *[Moscow Radio]* 1
  Chernomyrdin Comments *[ITAR-TASS]* 1
  Sign Statement on Economic Integration *[ITAR-TASS]* 1
  Kebich Says Union Open to 'All the CIS' *[ITAR-TASS]* 2
  Premiers Comment on Economic Integration *[Moscow TV]* 3
ITAR-TASS Carries Press Review for 10 Jul 3

RUSSIA INTERNATIONAL AFFAIRS

Yeltsin Statement at Conclusion of G-7 Summit *[Russian TV]* 5
Yeltsin Spokesman Stresses Need for Equal Cooperation *[ITAR-TASS]* 5
Yeltsin, Kozyrev on COCOM, Other Topics *[KOMSOMOLSKAYA PRAVDA 10 Jul]* 6
Kozyrev Appraises Results of G-7 Summit *[ITAR-TASS]* 7
Kozyrev, Fedorov Interviewed on G-7 Aid Package *[Moscow TV]* 7
IZVESTIYA Views Summit's Implications *[10 Jul]* 8
ROSSIYSKAYA GAZETA Views G-7 Summit *[10 Jul]* 10
G-7 To Grant $500 To Boost Privatization *[ITAR-TASS]* 11
Federov Expresses Optimism Following Summit *[ITAR-TASS]* 11
G-7 Economic Declaration on Russia Viewed *[NEZAVISIMAYA GAZETA 10 Jul]* 11
Russian Trade Relations with G-7 Viewed *[SEGODNYA 9 Jul]* 12
G-7 Support Said To Be 'Gratifying' *[KRASNAYA ZVEZDA 9 Jul]* 12
Commentary Praises Aid, Critcizes Trade Restrictions *[KRASNAYA ZVEZDA 10 Jul]* 13
G-7 Said 'Not a Failure,' 'Not Ideal' *[MOSKOVSKIY KOMSOMOLETS 10 Jul]* 14
Paper Criticizes Acceptance of G-7 Mission in Moscow *[PRAVDA 10 Jul]* 14
Promises of Liberalized Trade With Russia Questioned *[PRAVDA 10 Jul]* 15
Expediency of G-7 'Privatization Fund' Questioned *[SEGODNYA 9 Jul]* 15
G-7 Talks on Nuclear Moratorium May Meet Resistance *[KOMMERSANT-DAILY 9 Jul]* 16
Kozyrev: G-7 Understands Position on Baltics *[ITAR-TASS]* 16
Reportage on Clinton-Yeltsin Talks 17
  Yeltsin Comments on Meeting *[Radio Rossii]* 17
  Joint News Conference Reported *[ITAR-TASS]* 17
  Clinton Cited on Trade *[ITAR-TASS]* 17
  'Text' of Joint News Conference *[ITAR-TASS]* 18
Reporting on Russian-Japanese Talks 20
  Yeltsin, Miyazawa Meet *[IZVESTIYA 9 Jul]* 20
  Yeltsin-Miyazawa News Conference *[ITAR-TASS]* 20
  Kozyrev on 'New Tone' of Relations *[Russian TV]* 23
Clinton Calls For Normalizing Russian-Japanese Relations *[ITAR-TASS]* 23
Yeltsin 'Ashamed' of Supreme Soviet Statement on Sevastopol *[Moscow Radio]* 23
  Calls Resolution 'Irresponsible' *[Moscow Radio]* 23
  Foreign Ministry Disclaims Resolution *[ITAR-TASS]* 23
  Other Groups Echo Sevastopol Resolution *[NEZAVISIMAYA GAZETA 9 Jul]* 24
Foreign Ministry Faults Ukrainian Decision on Nuclear Arms *[ITAR-TASS]* 24
  Grachev: Move Imperils START Treaties *[ITAR-TASS]* 24
  Credibility of Ukrainian Stance Questioned *[IZVESTIYA 9 Jul]* 24
Yeltsin, Kohl Conclude Talks in Irkutsk, Comment *[ITAR-TASS]* 25
  German Aid for Troop Withdrawal Discussed *[Moscow International]* 25
  Kohl To Support Russian Trade Integration *[Hamburg DPA]* 25
Chernomyrdin Previews Trip to Germany *[Berlin ADN]* 25

- Foreign Ministry Would Welcome UN Observers in Abkhazia *[ITAR-TASS]* 26
- Georgia Sees Progress at Moscow Talks on Abkhaz Conflict *[KOMMERSANT-DAILY 10 Jul]* 26
  - Says Abkhazia Disrupting Cease-Fire Talks *[ITAR-TASS]* 27
  - Abkhazians Reject Georgian Settlement Plan *[Radio Rossii]* 27
- Foreign Ministry Protests PRC Actions Against Shipping *[ITAR-TASS]* 27
- High-Ranking PRC Aide Ends 'Successful' Moscow Talks *[KRASNAYA ZVEZDA 7 Jul]* 27
- Foreign Ministry Official on PRC Ties *[Moscow TV]* 28
- Indian Space Chief Remarks on Rocket Engine Deal *[Delhi Radio]* 29
- Indian Delegation in Vladivostok Views Arms Sales *[Moscow Radio]* 29
- Serbia's Draskovic Thanks Yeltsin for Support *[Russian TV]* 29
- Foreign Ministry Defends Arms Sales to Iran *[ITAR-TASS]* 29
- Uranium Reportedly Exported From Khabarovsk to DPRK *[Moscow TV]* 30

RUSSIA NATIONAL AFFAIRS

Supreme Soviet

- Supreme Soviet Discusses Status of Sevastopol *[ITAR-TASS]* 31
  - Debates Sevastopol Issue *[Russian TV]* 31
  - Claims Russian 'Status' *[ITAR-TASS]* 32
  - Sevastopol Demonstrators React *[ITAR-TASS]* 32
- Statement on Cancellation of Government Report *[ITAR-TASS]* 32
  - Deputies Express 'Bewilderment' *[ROSSIYSKAYA GAZETA 9 Jul]* 33
- Parliament Approves 1992 Central Bank Report *[ITAR-TASS]* 33
- Supreme Soviet Introduces Copyright Law *[ITAR-TASS]* 34
- Committee Says Defense Ministry 'Insolvent' *[Russian TV]* 34

UKRAINE

International Affairs

- Official Reaction to Russian Resolution on Sevastopol 35
  - Termed 'Open Interference' *[Kiev International]* 35
  - Supreme Council Rejects Declaration *[UKRINFORM]* 35
  - Kuchma Attitude 'Negative' *[ITAR-TASS]* 36
  - Parliamentarian on 'Declaration of War' *[Russian TV]* 36
  - 'Ill-Considered' Action Viewed *[UKRINFORM]* 36
  - Navy Commander Comments *[UNIAR]* 36
- Parties, Groups Condemn Russian Action on Sevastopol 36
  - Officers Protest Sevastopol Resolution *[Kiev International]* 36
  - Rukh Leader Opposes Claims *[UKRINFORM]* 37
  - CNDF Supports President *[UNIAR]* 37
  - Democratic Revival Party Assails Declaration *[Kiev International]* 37
  - Christian Democrats Support Kravchuk Statement *[Kiev International]* 37
  - Kiev Rally Against Resolution *[Kiev International]* 37
- Mixed Response to Russian Resolution in Crimea *[UNIAR]* 38
  - Oganizations Discuss City's Status *[ITAR-TASS]* 38
  - Rallies in Support of Resolution *[Moscow TV]* 38
  - Military Units Reportedly Formed *[UNIAR]* 38
- Kravchuk Favors Ratifying START I Treaty *[UKRINFORM]* 38
- Kravchuk Wants Close Ties With Russia, CIS *[Kiev International]* 39
- Spokesman Defends Government on Detained Chemicals *[HOLOS UKRAYINY 7 Jul]* 41

National Affairs

- Kuchma Discusses Land Irrigation Program *[UKRINFORM]* 42
- Crimea Establishes Executive Bodies, Ministries *[UNIAN]* 42
- Committee for Protection of State Secrets To Avoid Ideology *[Kiev International]* 43
- Sevastopol Communists Hold 'Restoration Conference' *[UNIAR]* 43

WESTERN REGION

Belarus

Economic, Social Ties With Russia To Be Strengthened *[Minsk Radio]* 44
Committee Chairman Interprets Law on Vouchers *[RID]* 44

Moldova

Dniester Representative Wants Republic's Recognition *[BASAPRESS]* 44
Head of Dniester Negotiators Wants Confederation *[BASAPRESS]* 44
Dniester Prosecutor To Investigate Corruption *[BASAPRESS]* 44
Cooperation Between Gagauz, Dniester Noted *[BASAPRESS]* 45
Deputy Foreign Minister Seeks Improved Ties With West *[BASAPRESS]* 45
Minister, Ukrainian Envoy on Information Exchange *[BASAPRESS]* 45
Snegur Expected To Meet Romania's Iliescu *[ITAR-TASS]* 45
Regulations Changed To Stimulate Exports *[ITAR-TASS]* 45

CENTRAL ASIA

Kazakhstan

Blockade of Russian Correspondents' Office Ends *[Russian TV]* 47
    Radio Link to Moscow Resumes *[Radio Rossii]* 47
Work of ECO Summit, Kazakh Proposals Summarized *[Almaty Radio]* 47
German Company To Aid Modernization of Communications *[Almaty International]* 48

Kyrgyzstan

President Akayev Arrives in Mongolia *[Bishkek Radio]* 48
Akayev To Discuss Trade Links With Neighbors *[Russian TV]* 48

Tajikistan

Reportage on Situation on Tajik-Afghan Border 48
    Opposition Steps Up Armed Action *[NEZAVISIMAYA GAZETA 10 Jul]* 48
    Border Strengthened *[ITAR-TASS]* 49
    More Border Guard Troops Needed *[ITAR-TASS]* 49
New Commander for Russian 201st Rifle Division *[ITAR-TASS]* 49
Rakhmanov Calls For Consolidation, Fruitful Work *[ITAR-TASS]* 49

Uzbekistan

Natural Gas Supply to Kazakhstan Reduced *[Moscow Radio]* 49
Currency To Be Introduced 'Next Week' *[Moscow Radio]* 50
Tashkent Airport Incident Harms U.S.-Uzbek Relations *[ROSSIYSKAYA GAZETA 6 Jul]* 50

CAUCASUS

Armenia

CSCE's Raffaelli Talks With Ter-Petrosyan *[Moscow TV]* 51
Azerbaijani Prime Minister's Karabakh Trip Viewed *[SNARK]* 51
New Azerbaijani Attacks Halted; Aircraft Shot Down *[Yerevan International]* 51
Azerbaijani Actions in Agdam-Askeran Noted *[SNARK]* 51

Azerbaijan

Aliyev Interviewed on Political Issues *[Baku TV]* 52
CSCE's Raffaelli Arrives in Baku 10 Jul *[Moscow Radio]* 56
    Meets With Aliyev *[ITAR-TASS]* 57

  - Talks to Journalists *[TURAN]* 57
  - Azeri Forces Halt 'Hostilities' *[TURAN]* 57
  - Fighting Abates During Visit *[ASSA-IRADA]* 58
- People's Front Rally Supports Elchibey *[TURAN]* 58
  - Further on Rally in Baku *[Russian TV]* 58
- Elchibey Decree Postpones Transfer of Power *[TURAN]* 58
- Armed Forces Command Issues Appeal *[Baku Radio]* 59
- Aliyev, Gumbatov Discuss 'Talysh-Mugan Republic' *[ASS[illegible]'RADA]* 59
- State Secretary Cited on Accepting Tasks *[ITAR-TASS]* 59
- Local Officials Suspend Work To Protest Aliyev Powers *[Moscow Radio]* 60
- First Direct Flight Between Tabriz, Baku Inaugurated *[Tehran IRNA]* 60
- State Secretary, Turkish Envoy Discuss Economic Cooperation *[ITAR-TASS]* 60

Georgia

- Fighting Continues on Gumista Front Line 9 Jul *[ITAR-TASS]* 60
  - Georgian Forces Down 'Warplane' *[ITAR-TASS]* 61
- Government Claims Success in Tamysh 10 Jul *[Tbilisi Radio]* 61
- Abkhaz Forces Approach Sukhumi City Limits *[ITAR-TASS]* 61
  - Sukhumi Shelled 11 Jul *[Tbilisi Radio]* 62
  - Fighting on Approaches to Sukhumi *[ITAR-TASS]* 62
  - Sukhumi Fighting Detailed *[Tbilisi Radio]* 62
- Government Official Says Gudauta Forces 'Exhausted' *[Tbilisi Radio]* 62
- Shevardnadze Aide on 'Escalation of Hostilities' *[ITAR-TASS]* 63
- Chechen Volunteers Reportedly Help in Abkhazia *[Moscow TV]* 63
- 'Mercenaries' Said Receiving Training at Adygensk Camp *[Tbilisi Radio]* 63

BALTIC STATES

Estonia

- Foreign Ministry Demands Russian Troop Withdrawal *[BNS]* 64
- Government Protests Russian-Narva Officials Meeting *[Tallinn Radio]* 64
  - Laar Comments on Meeting *[ETA NEWS BULLETIN]* 64
- Meri Holds Roundtable Meeting on Narva, Sillamae *[ETA NEWS BULLETIN]* 64
- German President von Weizsacker Arrives for Visit *[Hamburg DPA]* 65
  - News Conference Planned *[ETA NEWS BULLETIN]* 65
  - Holds Talks With Meri *[Hamburg DPA]* 65
  - Comments on Russian-Estonian Issues *[Hamburg DPA]* 65
  - Joint News Conference Held *[Hamburg DPA]* 66
- Prime Minister, Economy Minister Arrive in Israel *[ETA NEWS BULLETIN]* 66
- Interior Ministry 'Black Berets' Deployed Near Narva *[Moscow TV]* 66
- Centrist Faction Blames Ruling Coalition for 'Crisis' *[BNS]* 66

Latvia

- Ulmanis Comments on Relations With Russia *[Moscow TV]* 67
  - Says Ties 'More Tense Than Desired' *[ITAR-TASS]* 67
- Biography of New Prime Minister Birkavs *[LETA]* 67
- Birkavs Cited on Proposed Ministerial Candidates *[LETA]* 68
- Legislature Restores 1933 Constitution *[LETA]* 68

Lithuania

- Landsbergis Alleges 'Secret Negotiations' With Russia *[Vilnius International]* 68
  - Brazauskas Denies Allegations *[Vilnius International]* 68
- Russian Gas Concern To Restore Supplies *[Vilnius Radio]* 69
- Russian Demand for Nuclear Fuel Debt Payment Reported *[ELTA NEWS BULLETIN]* 69
- Border Negotiations Continue With Kaliningrad Oblast *[Vilnius Radio]* 69
- Brazauskas on Russian Troop Withdrawal *[Vilnius Radio]* 69

Prime Minister on Importance of Ties With Russia *[ITAR-TASS]* 70
  Further on Slezevicius Comments *[Vilnius Radio]* 70
Foreign Ministry Expresses 'Concern' Over Azerbaijan *[ELTA NEWS BULLETIN]* 72
Brazauskas Discusses Foreign Policy Aims *[ITAR-TASS]* 72
Brazauskas Meets Leaders of 'Citizen's Charter' *[ELTA NEWS BULLETIN]* 72
Social Democrats Criticize Government, Central Bank *[BNS]* 73

Russia, Ukraine, Belarus Prime Ministers To Meet

LD0907170493 Moscow ITAR-TASS in English 1607 GMT 9 Jul 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow July 9 TASS—Prime ministers of Russia, Belarus, Ukraine are to meet in Moscow on Saturday [10 July] to sign a statement on "urgent measures to accelerate economic integration", TASS learned from reliable sources in the Russian Government.

Initially the meeting was planned to be held between the Russian and the Belarusian prime ministers in order to work out an agreement on the economic union.

However, according to the source, Ukrainian Prime Minister Leonid Kuchma was informed about the document on Thursday and introduced one remark to it. When the remark was accepted he expressed his desire to join the agreement.

Begin Meeting in Moscow

LD1007102793 Moscow Mayak Radio Network in Russian 0900 GMT 10 Jul 93

[Text] Half an hour ago we received a report from RIA that Leonid Kuchma has declined to come to Moscow. However we now have new information.

The meeting in Moscow of the Russian, Ukrainian, and Belarusian prime ministers has begun. It is expected that at its conclusion Viktor Chernomyrdin, Vyacheslav Kebich, and Leonid Kuchma will sign a joint statement of the three governments on urgent measures to deepen their economic integration. In the course of the meeting, the Russian prime minister has said, there will be a discussion of specific matters responsible for a number of problems still existing between us, in particular concerning customs relations.

Chernomyrdin Comments

LD1007121193 Moscow ITAR-TASS World Service in Russian 1048 GMT 10 Jul 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow, 10 Jul—A meeting of the heads of government of Russia, Ukraine, and Belarus has begun at the residence of the Russian Federation Government near Moscow. It is expected that after it Viktor Chernomyrdin, Vyacheslav Kebich, and Leonid Kuchma will sign a joint statement of the three governments on the urgent measures aimed at deepening economic integration.

"I attach great importance to this meeting," Viktor Chernomyrdin told an ITAR-TASS correspondent before the opening of the session. "We are talking here about the formation of an economic union between our countries," he stressed.

The Russian premier said the meeting would deal with concrete issues that would remove a number of problems still existing between us—in particular those relating to customs relations. "We are difficult to divide, but there are still some issues in the economic sphere that can be resolved without affecting sovereignty," the head of the Russian cabinet said.

Sign Statement on Economic Integration

LD1007142393 Moscow ITAR-TASS World Service in Russian 1306 GMT 10 Jul 93

[Text] Moscow, 10 Jul (ITAR-TASS)—The text of the statement of the governments of the Republics of Belarus, Russian Federation, and Ukraine on urgent measures to deepen economic integration is as follows:

Taking account of the historic closeness of the peoples of the Republic of Belarus, the Russian Federation, and Ukraine, the contiguity of their territories, the closeness of the level of development, and the mutual links between their economies, the governments of the three states have decided to implement urgent measures for closer economic integration.

The interests of the states dictate the necessity of preserving a single economic area where in conditions of market relations production will effectively develop; goods, services, and capital will move freely; and efforts will be united for implementing joint economic projects. While expressing the firm intention of participating in the development and implementation of the treaty on the creation of a economic union within the framework of the CIS, the governments expect that the measures for a closer trilateral integration of their economies will aid the speeding up of the implementation of the goals and principles of this treaty.

The governments believe immediate measures in the sphere of economic integration must cover the sphere of production, investments, foreign trade, and also financial credit, currency, and social relations. These measures are aimed at halting the breakdown in traditional production links and aiding the dynamic and harmonic development of the economies of the three states and the carrying out of economic reforms in the interests of raising the population's standard of living.

Such integration is conditional on the compatibility of their economic systems. To ensure this, close cooperation will be organized in the implementation of economic reforms and there will be coordination of their aims and of the stages and speed of their implementation. It is planned to draw their national economic legislation closer together, primarily with the aim of creating the most favorable conditions for the work of enterprises.

The governments agreed to make it their priority to remove tariff and non-tariff restrictions in trade-economic relations between the three states, to set up a customs union and common customs territory, and also to form a common market of commodities, services, and capital on the basis of a single policy in the field of price-making and investments and in harmonizing the taxation systems.

Special importance is attached to the functioning of the monetary system on the basis of a rigid policy agreed on in the field of credit and cash emission. It is planned to coordinate the budget policy by establishing a single limit for deficits of consolidated budgets. An active joint policy will be pursued in the social sphere. At the same time, citizens will receive an opportunity to freely possess property, move around, and live and work on the territory of any of the three states. At the same time, the governments particularly stress that they will strictly protect the legal interests of their fellow countrymen who live outside their states.

The governments note that close integration of their economies will demand joint management of many areas of economic activity. The essential coordinating bodies will be set up for this purpose and allocated the appropriate management functions. It is planned for their activity to include decision-making processes as practiced by international organizations.

The governments proceed from the fact that economic integration cannot be achieved in isolation, without a wider interaction in all aspects of politics, defense, and legislation.

In connection with this, they call upon the parliamentarians of the three states to consolidate their efforts in pursuing a coordinated foreign policy, based on adherence to international legal norms, the goals and principles of the UN Charter, and the obligations to maintain territorial integrity of states, which they have undertaken within the framework of the Conference for Security and Cooperation in Europe, as well as their efforts in bringing national legislations as close together as possible and in this way creating a firm legal foundation for deeper mutual economic integration.

The governments are convinced that close cooperation on the basis of the principles set out in the current statement will be able to settle the fundamental issues of our mutual relations and allow us to leave behind the practice of putting forward unilateral complaints.

The governments have charged V.A. Zalomay, deputy chairman of the council of ministers of the Republic of Belarus; A.N. Shokhin, deputy chairman of the council of ministers and government of the Russian Federation; and V.I. Landyk, deputy prime minister of Ukraine, with organizing practical work on preparing by 1 September a draft treaty between the Republic of Belarus, the Russian Federation, and Ukraine on deepening economic integration and bringing into effect the tenets of the current statement.

The governments declare that states sharing the aims and principles of economic integration set out in the present statement—and not belonging to any other economic unions and associations, if such participation could violate the integrity of the customs borders of the contracting sides, hamper the pursuance of a coordinated foreign economic policy with regard to third states, or in another way infringe the legitimate economic interests of the sides—may accede to this treaty.

[Signed] Chairman of the Council of Ministers of the Republic of Belarus: B. Kebich

Chairman of the Council of Ministers of the Government of the Russian Federation: V. Chernomyrdin

Prime Minister of Ukraine: L. Kuchma

Kebich Says Union Open to 'All the CIS'

LD1007145093 Moscow ITAR-TASS in English 1438 GMT 10 Jul 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow July 3 [date as received] TASS—Today's meeting at the residence of the Russian Government near Moscow of Russian Prime Minister Viktor Chernomyrdin, Belarusian Prime Minister Vyacheslav Kebich and Ukrainian Prime Minister Leonid Kuchma ended with the adoption of a resolution on the formation of an economic alliance by the three countries. They signed the statement of governments of the three countries on urgent measures aimed at deepening economic integration.

Responding to questions of journalists after the signing ceremony, Chernomyrdin said that "the signing of the treaty on deepening economic integration will be a history-making event for our states. We are moving forward and making our respective economies into an integrated whole in all spheres." Kebich stressed the importance of the decisions taken today and said: "Common sense has eventually got an upper hand". The Belarusian prime minister specially mentioned the fact that today's meeting and its results will not lead to some separatism within the CIS framework. He said that "the economic alliance is open to all the CIS member states who wish to join it, but on definite terms". The Russian Deputy Prime Minister Aleksandr Shokhin explained that the economic alliance would be open to all the CIS member states, which do not intend to join other economic alliances.

Leonid Kuchma described today's meeting of the three prime ministers as a "natural process".

After the meeting Russian-Ukrainian agreements on cooperation in oil and gas production were signed. According to Russian Minister of Fuel and Energy Yuriy Shafranik, the agreements include a mechanism of smooth transition to trade in energy carries in accordance with world prices.

Premiers Comment on Economic Integration

LD1007203793 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 10 Jul 93

[From the "Novosti" newscast]

[Excerpts] The prime ministers of Russia, Belarus, and Ukraine today attempted to find a common language on the issues of economic integration, and it looks as though they were successful. It is not yet August, but still only July, yet a decision on an economic union has been taken.

[Correspondent Ivan Pankov] The heads of government of Belarus, Russia, and Ukraine today gave their peoples a good sign. At the Russian government's residence outside Moscow they issued a joint declaration, which directs the efforts of the three states into the channel of close economic cooperation. Vyacheslav Kebich, Viktor Chernomyrdin, and Leonid Kuchma, who signed the declaration, described it as historic. [passage omitted]

[Begin recording] [Russian Federation Prime Minister Viktor Chernomyrdin] Why are the three of us here, you may ask. As you know, the heads of state and government have already discussed an economic union. It is still under discussion now, and many are in agreement. But we have decided that there is a need to move on.

[Belarusian Prime Minister Vyacheslav Kebich] I would say that common sense has prevailed at last. We have moved on from the field of politics, of discussions about an economic union, to the practical implementation of this union.

[Ukrainian Prime Minister Leonid Kuchma] My most recent meeting with Viktor Stepanovich—the conference of the five border oblasts in Kharkov—demonstrated that people no longer understand us. We often talk about international integration and the need to restore what we have thoroughly destroyed in our countries - we are definitely being pushed toward this from below, and if we don't do it ourselves, others will do it for us. I don't think there is any other way. [end recording]

ITAR-TASS Carries Press Review for 10 Jul

LD1007063993 Moscow ITAR-TASS in English 0601 GMT 10 Jul 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow July 10 ITAR-TASS—Newspapers comment on the G7 summit in Tokyo. The TRUD newspaper notes that the content of its final documents "did not bring any surprises". The most important event of the summit, in the newspaper's opinion, was the firm support for reforms in Russia.

The KOMSOMOLSKAYA PRAVDA newspaper writes in an article devoted to the Tokyo summit: "The Group of Seven met with understanding Boris Yeltsin's attempts to lift barriers to the export of Russian goods introduced by Cocom [Coordinating Committee for Multilateral Export Controls]".

The KRASNAYA ZVEZDA newspaper draws the conclusion that "the Tokyo meeting was useful for Russia".

The PRAVDA newspaper prints reports from its foreign correspondents devoted to the meeting under the heading "Generous Promises and Scanty Results".

The newspaper's Washington correspondent claims: "Three-fourths of funds appropriated by the Group of Seven are high-interest credits which will increase even more Russia's huge debts to Western countries".

Newspapers continue to cover extensively the Georgian-Abkhazian conflict. KRASNAYA ZVEZDA notes that it is entering a very dangerous stage. "The war tolled approximately the same casualties from both sides: 150 people killed on each side and between 300 and 500 wounded."

The newspaper stresses that a compromise is necessary in the present situation. "The delegations of the warring sides have come to Moscow evidently for this purpose.

"Let us hope that we shall witness a ceasefire and not the appearance of a spectre of an all-out war above the Caucasus," the newspaper writes.

Examining a desire by some Russian regions to raise their status to the level of a republic, prominent journalist Otto Latsis writes in the ROSSIYSKIYE VESTI newspaper, a government organ, that they have no grounds for this.

"A republic is a state first of all. Russia recognised such rights of our former republics to autonomy as their own state language and their constitutions. It is clear, therefore, that 'self-styled future republics' have no such attributes," Latsis stresses.

The same newspaper carries a letter to Russian Premier Viktor Chernomyrdin by the leaders of the association of reforms' supporters called Democratic Choice. The letter stresses that the association is "deeply concerned" over the recent appointment of Viktor Polyanichko as head of the state of emergency district in the northern Caucasus in the rank of vice-premier.

The letter notes that Polyanichko, the former propaganda division head at the Central Committee of the Soviet Communist Party, Babrak Karmal's adviser on political and ideological affairs, second secretary of the Azerbaijan Communist Party and chairman of the organising committee of the Nagorno-Karabakh autonomous region, "belongs to the top Communist Party echelon which is directly responsible for the aftermaths of the chauvinistic imperial policy.

"He is to blame for the crimes of the Afghan war and the policy of genocide committed in Nagorno-Karabakh." Polyanichko's new appointment can be regarded only as an ostentatious disregard for law, morals and international public opinion, the letter stresses.

TRUD features an interview with famous poet Yevgeniy Yeftushenko. Asked why most Russians voted for reforms at the latest referendum, he noted: Despite the fact that the reforms are conducted in an incompetent and amateurish way, people voted for them because "they do not want to return to the past".

The same newspaper runs an article by its own correspondent in Turkmenistan, saying that the republican mass media often keep mum about events in the Republic. Citing several examples which prove his point, the journalist writes: "Lack of or incomplete information generates, as a rule, a host of rumours".

KOMSOMOLSKAYA PRAVDA features an article dedicated to famous Soviet intelligence officer Rudolf Abel (1903-1971) who was swapped for american flyer Powers shot down over Siberia.

The newspaper supplies new data on Abel's life and operations in an interview with Colonel Dmitriy Tarasov, 80, who was the intelligence officer's commander for some time.

Yeltsin Statement at Conclusion of G-7 Summit

LD0907195593 Moscow Russian Television Network in Russian 1625 GMT 9 Jul 93

[Statement by President Boris Yeltsin at news conference in Tokyo on 9 July—recorded]

[Text] Mr. Prime Minister, esteemed ladies and gentlemen: The 19th meeting of the G-7 has concluded. At the last meeting in Munich political decisions were adopted on beginning financial and economic assistance for Russian reforms. The decisions were large- scale, but they were implemented on a minor scale. Over the past year, both Russia and the G-7's attitude toward it have changed. Our country has moved seriously toward a free, democratic society and a market economy. The process of change has been very difficult, however. The acuity and drama of the situation in Russia has helped the G-7 states to better grasp that the fate of reform in Russia is of vital importance to the entire world.

I repeat, Russia is ready to cooperate in the entire spectrum of problems that were mentioned in the Tokyo political declaration—raising the effectiveness of the United Nations; strengthening security in regions of the world; defending human rights; fighting terrorism; increasing cooperation in the struggle to eliminate missiles and weapons of mass destruction; actively participating in normalizing the crises in former Yugoslavia, the Middle East, and other regions of the world; and others. We have already proved this with our deeds.

At today's meeting I particularly noted the need to defend the rights of ethnic minorities. As you know, the Russian-speaking population has become a victim of discrimination in a number of new states.

Economic issues: The main result of the past year lies in the fact that Russia found its way out of the impasse of the old economic system. The most difficult step has already been taken. Our economy is no longer a command economy or a state economy.

Obviously, there are an enormous number of difficulties and very acute problems. That is why we welcome the initiative of the leading developed countries in supporting reform in Russia, and this is specifically what was discussed at the meeting. It is important that the G-7 leaders' intention to extend the promised package of economic assistance was solidly reaffirmed in Tokyo. The International Monetary Fund has already adopted a decision to provide Russia with 1.5 billion dollars for the program of retooling. The second part of this credit will be provided in the fall. The idea of establishing a privatization and restructuring fund has found support and 3 billion dollars are being allocated to it—in other words, a specific package for realization by the end of 1994—as well as the idea of a fund for the support of small and medium businesses within the framework of the European Bank for Reconstruction and Development. So far only 300 million dollars—not a large sum—has been allocated to this fund, but we count on its growth. The European Bank for Reconstruction and Development's decision to allocate funds totalling 860 million dollars for the oil and gas complex also found support.

I declare that we are ready to immediately begin negotiations to get reserve credits from the IMF, the International Monetary Fund, and after that from the Ruble Stabilization Fund.

We agreed to interact more closely on one of the most important directions of cooperation, that of nuclear security, which the prime minister has mentioned.

I must note, however, that not all the components of the package proposed by the Seven are alike and not all the accents and priorities set out in it fully correspond with how we see the problems. We attach particular significance to the removal of trade barriers and the reversal of discriminatory economic acts relating to Russia. Progress is less noticeable here than in the political sphere. We cannot agree on how anti-dumping procedures, quota limits, and other discriminatory measures are used unfairly against Russia. It is time to eliminate all of this. It is gratifying that the Seven have recognized the validity of this issue.

Yesterday, we met with Mr. Miyazawa. It was a good meeting. Preempting Japanese journalists' traditional question, I will say right now that we agreed to discuss the territorial issue during my official visit to Japan. We agreed in principle that the date of the visit would be this fall, possibly in October.

We highly value the role of Japan in preparing the Tokyo meeting and in mobilizing international efforts in support of Russian reform. We hope that Japan will continue to actively work in this direction. Overall, I am gratified by the results of the meeting in Tokyo, with its spirit, and the understanding of our problems. This is an important stage in the establishment of a new world order. The political decisions have been adopted and the most important thing now is to realize them. Major work lies ahead and we will do our part. Thank you for your attention.

Yeltsin Spokesman Stresses Need for Equal Cooperation

LD0907121193 Moscow ITAR-TASS in English 1138 GMT 9 Jul 93

[Text] Tokyo 9 July TASS—The priorities of the Russian president's political report at the G-7 summit focus, above all, on control over crisis situations in the world and the need for recognising Russia by the West as an equal economic partner, the Russian president's press secretary Vyacheslav Kostikov said at a briefing at the press centre of the Russian delelgation on Friday [9 July].

It is important for Western countries "to recognise that Russia is already not a communist country but a state having the main characteristic features of a democracy with a market economy. It is necessary to lift restrictions which exist in trade with it up to this time", Kostikov stressed.

"Therefore, the accent should be shifted to equal cooperation and broad investments rather than to humanitarian aid to our country. Russia takes appropriate legislative measures to guarantee capital investments by Western businessmen and banks."

The anti-crisis system of the United Nations, the press secretary continued, operates not quite efficiently, which is shown by the example of former Yugoslavia. In this connection, the Russian president pays special attention to stepping up the role of the United Nations.

Turning to future relations between Russia and the Group of Seven, Kostikov noted that Yeltsin said before the departure for Tokyo that he did not hope to replace right at the coming summit the formula "Seven Plus One" with a formula of "Big Eight". However, "evolution goes in this direction", and Russia welcomes it.

The West also understands such a need. "The logic of Russia's democratic, political and economic development brings all closer to an understanding that the big eight should become a reality sooner or later, may be in one year's time by the next summit."

"It would be absurd to exclude Russia from great world powers," Kostikov continued. "This is unacceptable for anybody. Russia's absence from world politics and world markets would be a disaster for the entire world.

"Our country is a big balancing factor in international politics and, taking into account that the Western economy is now experiencing stagnation, the participation of Russia with its immense scientific and technical potential and its virtually inexhaustible market in economic life is an important stabilising element for the world economy.

"As Russia gradually overcomes its crisis, it is quite evident that Moscow's role in settling literally all world issues will rise."

Describing the Russian president's participation in the Tokyo summit as a major political event, Kostikov expressed opinion that its results would have no significant impact on Russia's domestic policy, since the continued constitutional crisis there "is the result of a typically Russian sickness, the first stage of Russian democracy's development".

"I believe that strong homemade medicine is needed, and 'overseas pills' will not help," he stressed.

Turning to the prospects for the Russian president's visit to Tokyo, the press secretary said that there is a principled understanding on a summit and "conditionally the visit will take place next October".

A change in public opinion in the two states concerning each other would contribute to success in the development of relations between them, he underlined.

"A radical swing should take place in this sphere, for if the leaders agree but the population will experience bitterness and misunderstanding as before, the process of rapprochement and cooperation will go slower."

Yeltsin, Kozyrev on COCOM, Other Topics

PM1207113393 Moscow KOMSOMOLSKAYA PRAVDA in Russian 10 Jul 93 p 5

[Special correspondents Ravil Zaripov and Nikolay Tsvetkov report: "I Will Be the Eighth! This Was Boris Yeltsin's Reply to Those Who Doubt Russia's Bright Capitalist Future"]

[Text] Tokyo—There were several meetings involving the Russian president in Tokyo yesterday. John Major was first. Then Yasuhiro Nakasone, and toward evening Canadian Premier Kim Campbell. The British premier voiced the sensible idea that Russia should be given free access to foreign markets. Otherwise there is no point in helping to revive its economy. What is the point, if it is going to be impossible to sell output freely where the very best price will be paid for it?

Since the Russian president had some free time in the morning, he was taken to a Sony showroom. Journalists were not taken. It is rumored that the guest was presented with a video camera.

Meanwhile, the G-7 were not sitting idly either. An economic declaration was adopted. Cheerful notes predominate in it: "The world's progress toward democracy and an open market surpasses our most optimistic expectations."

The cheerful tone of the adopted document transmitted itself to the Russian president. "I am not in a hurry, but time is on our side, and we will, all the same, find ourselves in 'G-8,' one year sooner or later," he declared at the news conference held after the meeting of the heads of state. Summing up the "seven plus one" summit, Yeltsin remarked: "The Tokyo meeting must not disappoint the supporters of reforms in Russia." Yeltsin evidently had in mind the targeted credits promised for us. The IMF has allocated $1.5 billion to stabilize the ruble. Some $3 billion is being allocated to develop the privatization program, with credit being granted through the end of 1994.

Boris Yeltsin's attempts to remove the barriers erected in the way of exports of Russian commodities by the COCOM [Coordinating Committee for Multilateral Export Controls] met with understanding among the members of "the seven."

In conversation with journalists Foreign Minister Andrey Kozyrev expressed a wish that the COCOM be "transformed from a limiter against Russia into a limiter together with Russia." This is a reference to the impossibility of exporting so-called sensitive technologies, so as to rule out the creation of a nuclear missile or chemical potential in countries located around the perimeter of the Russian Federation.

The minister replied in the affirmative to a question from KOMSOMOLSKAYA PRAVDA's correspondents: Was the issue of discrimination against the Russian population in certain countries which used to be part of the USSR examined? Practically all the bilateral meetings discussed the situation in Estonia, and the tilt toward the Baltic in the West's position is starting to be rectified. As regards the situation in Abkhazia, an accord was reached with U.S. Secretary of State Christopher to raise in the Security Council the question of sending 40-50 UN observers to that republic. Russia is prepared to allocate a peacemaking force to separate the warring sides.

Of course, the question of the Kurils was raised at the final news conference. Yeltsin, on the one hand, repeated that he intends to discuss this problem in October, during his official visit. On the other hand, he banged on the table: "Why was the film on the Kurils not shown on St. Petersburg television and 'Ostankino'? I will return and issue the necessary instruction." The steely note of the local party committee screttary in his voice gave way to friendly tones addressed to Japanese journalists. If Yeltsin positively resolves the question of the islands now, he said, "he will be seen off from here with applause, but he will not be let back into Russia."

The Japanese were constantly conducting public opinion polls during the summit. One of them contained this question: "Do you have a good attitude toward Russia?" Just 4 percent of the respondents replied in the affirmative. But 70 percent of the Japanese polled replied "No!" to this question: "Is U.S. President Clinton worthy of trust as a politician?"

Kozyrev Appraises Results of G-7 Summit

LD1007084493 Moscow ITAR-TASS in English 0831 GMT 10 Jul 93

[By ITAR-TASS correspondent Vladimir Kutakhov]

[Text] Tokyo July 10 TASS—Speaking of decisions taken by the summit of the seven industrialised countries in Tokyo on aid to Russia, Russian Foreign Minister Andrey Kozyrev said on Saturday [10 July] in an exclusive interview with ITAR-TASS that now "the need for the access of Russian goods to Western markets comes to the fore".

The minister also pointed to the need for "lifting various restrictions which were imposed over 45 years of the Cold War and were aimed not at Russia but at the former Soviet Union".

Kozyrev stressed that "the adoption of the political declaration containing a statement on the support of political and economic changes in Russia directed by President Yeltsin" was the main political result of the G-7 summit. He added that "the Russian Federation participated in drafting this declaration".

"It can be said in this connection that Russia turned into a key partner who was included in the process of drafting many provisions of this document," the minister continued.

Kozyrev underlined that "the Russian Federation has no serious differences with other participants in the just-ended summit in the appraisal of documents adopted by the G-7 meeting".

According to Kozyrev, the latest G-7 summit was a step forward in comparison with the previous summit meeting where the G-7 leaders only confirmed aid already given to Russia. The latest summit was distinguished for an exchange of opinions between mature partners who know one another well.

In actual fact, the minister claimed, Russia has turned into an equal partner of the seven industrialised nations, who participates in drafting important decisions of world politics, including crisis situations in various regions of the world.

Kozyrev, Fedorov Interviewed on G-7 Aid Package

LD1107215493 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 11 Jul 93

[Interviews with Foreign Minister Andrey Kozyrev and Finance Minister Boris Fedorov by correspondents in Tokyo, with introduction by anchorman Yevgeniy Kiselev; date not given; from the "Itogi" program—recorded]

[Text] [Kiselev] Now for the most important, perhaps major, event in international life last week. I have in mind the G-7 meeting in Tokyo at which a Russian delegation headed by President Yeltsin took part, like last year in Munich. And, like last year in Munich, the Tokyo meeting essentially took place under the scheme seven plus one. Foreign Minister Andrey Kozyrev and Finance Minister Boris Fedorov, members of the Russian delegation, gave interviews to our correspondents in Tokyo on the main results of the Tokyo meeting.

[Kozyrev] The political result is known—a political declaration by the seven themselves has been adopted which was, to a significant extent I ought to say, drawn up essentially with our involvement. Today's meeting of the presidents, or more precisely, of state leaders, had the nature of a joint search for solutions to difficult international issues. That is, not an evening of distinctive questions and answers, like it was the first time with Gorbachev and, to a certain extent, last year, but put simply it was actually eight state leaders examining or discussing and tackling issues of the the contemporary world. This is as far as politics is concerned.

In the economy, however, the results are important and substantial. Although one can name very large figures, let's say 43 billion [as heard] plus another 3 billion for the privatization fund, we still have an element of dissatisfaction and we still have to aim for this form of cooperation being augmented by the opening up of markets and the lifting of discriminatory restrictions. We do not hide the fact that, in our own way, we will bring pressure to bear, politically, so to speak, and morally etc, in order to rouse them into moving faster. But, for ourselves we will bear in mind the fact that this is a process and that what has built up over decades cannot be solved all at once.

[Fedorov] Getting down to brass tacks, it is now not a question of someone giving us something, but of us being able to receive it efficiently. It is no secret that we used to take huge credits in a centralized way, spend them on centralized purchases of various goods, and then distribute them from the center in accordance with some unknown principles. All this led to corruption and to extremely inefficient use of these credits. Our task today is to achieve a maximum reduction of centralized purchases, so that the credits we are offered go first and foremost into investment, to specific enterprises, firms and associations, even without any state guarantees, to make it possible for a normal commercial process to evolve.

As for the state, state monopoly on foreign trade, state purchases of, say, sugar or grain, they ought to become a thing of the past. It is not what the state should do. It ought to be involved in state regulation. In this sense, the quality of the package of assistance and support that the G-7 is offering us changes from year to year. We have become much more active in suggesting new forms and in voicing our views. Ours is no longer the role of an applicant who comes and waits for whatever he will be given. We have said in advance, and quite firmly too on many issues, what we do and what we do not like. So, as the president has put it, these were no longer the parts of a teacher and a pupil who is brought in to answer questions.

I would say that on many issues the discussion behind closed doors was quite tough, and the president spoke quite earnestly and firmly about access to markets, about the inefficiency of a large part of western assistance; he said there had been too much talk and too little action. In this sense we are in effect shifting to a new quality of financial cooperation with the West.

IZVESTIYA Views Summit's Implications

PM1207101593 Moscow IZVESTIYA in Russian 10 Jul 93 First Edition pp 1, 3

[Report by Sergey Agafonov and Vasiliy Kononenko: "Tokyo Summit: Money Will Not Flow Into Russia But World Is Interested in Success of Our Reforms"]

[Text] Tokyo—For a while Boris Yeltsin's arrival in Tokyo to take part in talks with the G-7 leaders overshadowed the meeting of the seven itself. That is not so much a compliment to the Russian leader as a statement of reality—over the past few days the forum of the "Western club" has begun gradually to be transformed into a "thing in itself" of which the reporters and seemingly the participants themselves have grown tired.

Tokyo Version of "Seven plus One" Formula

Yeltsin revived the obviously flagging interest in the Tokyo event in the traditional Russian form—once again the heroes of the day were the powerful official vehicles, the powerful retinue (including a personal trainer), the remarkably light summer suit at the talks with Miyazawa, and the ordinary tie instead of the bowtie dictated by protocol at the dinner with the emperor. Everyone was also intrigued by the unexpected and intimidating dark classes worn by Kozyrev, press secretary Kostikov, who avoided contacts with the press, and other exclusively Russian pranks.

Indeed, that was not all that caused animation.

Russian-Japanese Relations

The first point on the Russian president's program was perhaps the hardest meeting—with the Japanese prime minister. They had to make themselves understood on many complex positions, beginning with the inevitable talk on the deferred official visit to Japan and ending with the painful territorial issue. Fortunately, the meeting with Miyazawa was too brief to speak of anything in detail—the sides merely recorded some key positions for future talks, avoiding unpleasant details. One way or the other, this meeting filled the breach which had formed in relations and restored the "temporal link," removing a substantial amount of tension.

In speaking of bilateral affairs we cannot fail to note one more fundamental element concerning Japanese Foreign Minister Muto's commentaries on the G-7 political declaration he himself had read out the day before. IZVESTIYA reported that in these commentaries Muto noted that the calls to Russia to conduct diplomacy on the basis of the principles of legality and justice should be understood as an expression of the G-7's unanimous support for the Japanese position on the territorial issue. It turned out "at the end of the game" that the Japanese minister had been very worked up—he had not been empowered by the G-7 members to make such statements and had thus made out that his own understanding was a common agreed thesis. In rectifying this blunder the Japanese side noted at a meeting with reporters that Muto's commentary was addressed mainly to a domestic Japanese audience. The amendment was taken into account, but there was still some fallout remaining from the esteemed minister's autonomous action.

The third and final day of the session within the framework of the G-7's Tokyo round began with a brief joint session of the delegation heads, which made the final amendments to the event's main document—the economic declaration.

The document was rather long and obviously of an essentially compromise nature. In particular it defined the G-7's guidelines and priorities in macroeconomics (Japan is called on to revive domestic consumption and take the appropriate steps for the purpose. The United States must reduce its budget deficit, Europe must rectify its credit policy), on problems of unemployment and ecology, on structural reforms, on the Uruguay round of the multilateral GATT talks (with a call to complete it by the end of the year), on the problem of relations with Russia (in addition to the declaration a special G-7 statement was adopted concerning the creation of a privatization fund for the Russian Federation), on relations with the developing countries and the third world, and on reforms to summit meetings of the G-7 itself.

The Japanese are frankly happy about the fundamental document, since they have managed to avoid tough attacks on them and mentions of "plan commitments" in trade on which the Americans had insisted. Nor were the summit's other participants offended, since no one's interests are infringed in the text.

Fund for Moscow

The Russian section of the declaration includes, in addition to general words in support of transformations, dissatisfaction over security at nuclear establishments and notes that Russia must rely in its transformations primarily on its own efforts. In addition the text contains many figures couched in terms of a report on work done. The figures reproduce the G-7's April promises of economic aid to Russia and confirm them. In addition the G-7 urges Moscow to create a Russian bank of reconstruction and development, to struggle even more actively against inflation and the budget deficit, to carry out structural restructuring, and to accelerate privatization, using for this the entire necessary range of legislative and administrative measures. The G-7 announces that agreement has been reached on the creation of a special fund, called the privatization and reconstruction fund, to help these measures.

The fund is broken down into several credit programs, including $500 million in the form of grants from individual members of the G-7 for technical assistance and the subsidizing of investments and the development of business, $1 billion in the form of export credits, a further $1 billion from the reserves of international finance organizations to render direct assistance to large enterprises which are being privatized and are carrying out modernization, and the remaining $500 million through World Bank channels for direct aid to regions.

All this should be implemented over 18 months. America intends to earmark $125 million in the form of grants and $250 million for export credits for the new fund. U.S. representatives have stressed that the funds are intended not for benefits for the unemployed and not at Cadillacs for the bosses but for the retooling of production and the modernization of enterprises and the development of the regions' infrastructure.

It has also been decided to create a special G-7 mission in Moscow which will study questions of the implementation of diverse aid for reforms in Russia.

It remains to be added that Russian wishes—on the question of joining GATT, on the problem of the removal of Coordinating Committee for Multilateral Export Controls restrictions, and the abolition of barriers to Russian output's access to Western markets—met with virtually no response.

Shevardnadze Asks that Others Should Not Be Forgotten

Among other other items which were not among the selection of official documents and subjects connected with Russia we must note the preliminary agreement on inviting Boris Yeltsin to next year's G-7 meeting in Italy and Shevardnadze's letter to the Tokyo meeting participants. The existence of this letter first became known after the end of the summit during the German chancellor's press conference. Kohl called the letter dramatic and announced that in it the Georgian leader appealed to the G-7 not to forget the other former Soviet republics during the talks on economic aid to Russia. In his message Shevardnadze noted the grave situation in the CIS countries and urged the "Western Club" to supply humanitarian and financial aid and also to use the G-7's political influence to put an end to the bloodshed in the region.

In contrast to the vigorous work done for the press by the leaders and members of the G-7 delegations, who had to explain the purport of their agreements on financial and trade affairs, B. Yeltsin did not make an appearance before journalists, waiting for the end of the summit. Consequently everyone was interested in the Russian delegation's attitude in particular toward the political and economic declarations adopted during the summit. In this connection V. Kostikov, the Russian Federation president's press secretary, made a statement, stressing that the president is not asking for aid but during his meetings is calling for the lifting of trade restrictions which are hindering Russia's emergence onto world markets and is calling for the investment of capital in the Russian economy. Russia needs not tens of billions of dollars but far more. They can be attracted only through investment into promising sectors with appropriate guarantees. The inclusion of our country, with its enormous resources and scientific potential, in the world economy could serve as a stabilizing factor for the world economy, which is particularly important in the period of stagnation we are observing, the press secretary said.

Not Enough Money for Everyone

Whether these wishes will be realized and how quickly—so far there is no answer to these questions. So far one can note that the Tokyo summit has disappointed those people in our country who linked with it their hopes for a speedy solution of our numerous problems.

Money will not flow into Russia even with the abundance of aid projects and programs—the G-7 countries have little money, except for Japan, which cannot make financial investments because of the territorial problem. Nor are any firm intentions to lift restrictions on trade with Russia to be observed—it is a matter not for state institutions but rather for private businessmen. What can we expect? The developed countries' assistance in creating conditions for attracting capital to Russia.

ROSSIYSKAYA GAZETA Views G-7 Summit

PM1207101193 Moscow ROSSIYSKAYA GAZETA in Russian 10 Jul 93 First Edition p 7

[Commentary by Sergey Demidov, deputy editor of the International Department: "Seven Tired Samurai Not About To Admit Anyone to Their Club Just Yet"]

[Text] The latest "session" of the elite club of the economically powerful members of this world—the 19th meeting of the leaders of the industrially most developed Western countries—has been held in the Japanese capital. It was immediately followed by a "rendez-vous" with Russian President Boris Yeltsin.

U.S. President Bill Clinton was hoping that this summit, held against the backdrop of a global economic crisis and of course grave doubts about the prospects of overcoming it, would somehow be able to open the way to the new era which began in the world with the end of the cold war. Did it succeed?

Undoubtedly, at the present abrupt zigzag in mankind's historical development, the main concern for Russia's citizens, whose fatherland has reached "danger point" in various senses —economic, financial, social, and political—is this: What kind of bricks will the "seven" use to continue building the edifice of their relations with Russia? This question, of course, was by no means last on the Tokyo agenda.

As expected, there was no lack of words or gestures of approval for the Russian reforms expressed in the Akasaka Palace, where the summit itself and the "seven plus one" meeting were held. In particular, Moscow was given a firm promise of $3 billion in the next 18 months to assist the program of privatization and reorganization of Russian enterprises. In other words, the "seven" overcame the recently observed disagreements within their fairly disordered ranks on the question of how to help the political and, potentially, economic colossus that Russia still is (although unfortunately it now has feet of clay).

We can only hope that this sum will indeed reach Russia and will not be wasted. We can also hope that sooner or later Moscow will repay to the West a debt that will automatically exceed the present "ceiling" of $80 billion because a significant part of the extra $3 billion is certainly not a free gift from the "kind uncle" in the West. And equally hope to count on the aid and credits which Russia has already been promised (if we finally meet the conditions for receipt of that aid) but has not yet been given.

The stubbornness and growing persistence with which Moscow is demanding access to the world markets for various goods, services, technologies, and raw materials were rewarded with nothing more than a general recognition of the "importance of broader access" for Russia to those markets. And with assurances of a readiness to cooperate with Russia "in proportion to its progress toward entry into the General Agreement on Tariffs and Trade." "In this connection," the leaders of the "seven" stated, "we are activating our efforts to bring control on exports (from Russia—S.D.) into line with current realities."

This "activation" will take until the year 2003. So there is no reason to expect that the frictions in trade between Moscow and Washington, Moscow and Tokyo, and even the capitals of the EC member countries will disappear overnight as one would like.

Thus to talk about the "de facto transformation of the 'seven' into the 'eight'," as some Russian and Western mass media are in such a hurry to announce to the world, is in my view premature. If it is true that Russia belongs to the "rich North," it is only as the "poor relation."

Clearly more than one more lance will be broken over the decision to set up in the Russian capital a special support group which, according to the "seven's" scheme, is to ensure the effective implementation of the programs of Western aid to Russia. France for example is convinced that this step will transform the G-7 into some kind of "world government." Paris clearly does not relish accusations of diktat.

In Tokyo, however, Russia was not, of course, the only item on the agenda. The central problem under discussion was the world economic slump and its consequence—soaring unemployment, which has now reached 23 million in the West. It seems that the presidents and premiers made no progress beyond declarations of intent to adopt measures to implement a "coordinated strategy for the global growth" of the economy and of commitment to "restrict protectionism (in trade—S.D.) in all its manifestations." Thus the solution of the contradictions among the Western partners themselves and between the "advanced North" and the "backward South" has been postponed till better days.

The political document adopted in Tokyo—entitled "Forward to a safer and more humane world," the gist of which ROSSIYSKAYA GAZETA set out yesterday, proved to be shorter than before. And—I think—more concrete. Although it failed to avoid such phrases as: "We welcome the progress achieved recently toward the formation of a nonracial democratic society in South Africa"....

It seems that Tokyo was indeed the latest meeting place for what the German newspaper NEUE ZEIT called the "seven tired samurais" (if you ignore the fact that this appellation clearly does not apply to the new Canadian premier, Kim Campbell). They were all weighed down by the burden of their own problems and mutual disagreements. That is why the Tokyo summit did not achieve a more substantial result. Who and what the "seven" ("eight," "dozen"?) will be tomorrow is a task which will have be resolved in a year's time in the Italian city of Naples.

G-7 To Grant $500 To Boost Privatization

LD0907113993 Moscow ITAR-TASS in English 1042 GMT 9 Jul 93

[By ITAR-TASS correspondents]

[Text] Tokyo July 9 TASS—The Group of Seven industrialised nations decided to grant Russia 500 million dollars free to boost the privatisation of the state property. The total sum of the aid aimed to promote privatisation in Russia was fixed at three billion dollars.

The G-7 will also give Russia export credits worth one billion dollars.

The remaining finances are to be provided by the World Bank and other financial institutions. 500 million dollars in credits will be used to develop the industrial base and infrastructure of those regions which experience the most negative consequences of structural reforms. International financial institutions will issue one billion dollars in credits for the reorganisation and privatisation of state enterprises.

The World Bank will play a leading role in promoting the privatisation programme in Russia.

Washington will grant Russia 125 million dollars in free subsidies and technical assistance, as well as 250 million dollars in export credits.

The share of other G-7 countries in the aid package was not announced yet.

Federov Expresses Optimism Following Summit

LD1007105393 Moscow ITAR-TASS in English 1031 GMT 10 Jul 93

[By ITAR-TASS correspondent Vladimir Katukhov]

[Text] Tokyo July 10 TASS—"The continued process of reforms in Russia starts bearing fruit: Moscow's dialogue with the Group of Seven is becoming more specific and constructive, since its members develop greater confidence in our country," Russian Finance Minister Boris Fedorov said in an exclusive interview with ITAR-TASS here on Saturday.

The minister noted: "We have covered a long way from the London summit of 1991 which was attended by the head of the former Soviet Union who returned from it empty-handed. The 1992 summit in Munich already gave the first shoots of understanding, which, to tell the truth, were not very productive".

Russia and the G-7 countries have developed "a basically new scheme of relations this year when consultations started six months earlier and the preparation of the package of documents was very thorough," the minister stressed.

According to Fedorov, "the international factor of rendering aid to Moscow can play a substantial positive role in the development of Russian reforms, although, it is self-evident, it cannot be the key element, since, no matter what aid is given to Russia, it will not resolve all our problems".

As for the general results of the Tokyo summit held according to the formula "seven plus one" with the participation of President Boris Yeltsin, the minister said that "he is optimistic, and things now go relatively well".

G-7 Economic Declaration on Russia Viewed

MK1007093893 Moscow NEZAVISIMAYA GAZETA in Russian 10 Jul 93 p 1

[Vera Kuznetsova report from Tokyo under the "Summit" rubric: "The Formula Is To Remain 7+1 for at Least One Year"]

[Text] The G-7 economic declaration was passed before the Russian president's address at the summit. That was done on the morning of 9 July, and the "7+1" session took place only later in the afternoon. Therefore, with the final G-7 decision in mind, Boris Yeltsin altered the text of his address literally at the last minute.

In its economic declaration, the G-7 included a huge item on Russia and approved a previously agreed $43 billion aid package. First of all, it includes $1.5 billion the West is already paying, plus another $1.5 to come in the fall—both are meant for the stabilization fund. Earmarked for the support of the oil and gas complex is $610 million, and $300 million toward support of medium- and small-sized businesses. In addition to that, $3 billion is to be provided until 1994 for the setting up of a privatization fund.

The package is very good, the Russian delegation leaders observed after the talks, but the key question for Russia in Tokyo was different, more fundamental—that of lifting the trade restrictions. Yeltsin said in the final press conference in this connection: "Not all the components in the package offered by the Seven are equivalent. Not all measure up to our view of the problem; we attach special significance to lifting the trade barriers and to withdrawing the discriminatory acts in regard to Russia. Progress on this matter is less conspicuous than in policy. The bans within the COCOM framework have not been lifted yet."

Meanwhile a rather specific decision has been made in regard to COCOM. Now this structure, Andrey Kozyrev revealed, is not supposed to work against Russia, but together with it. "Together with Russia, Cocom is supposed to prevent exports of highly sensitive technologies. We do not want states in the zones of instability acquire missile or chemical technologies."

The Seven did not name any concrete time frame for the lifting of the discriminatory rules of trade with Russia. A proposal from the foreign and finance ministers suggested that this should take place 10 years from now. This figure though was not included in the G-7 economic declaration perhaps in order not to provoke Russia. Boris Yeltsin noted on several occasions that this proposal was unjust: "I spoke in serious terms on this problem during the Seven's session; I was asking for no special conditions. I was only saying that Russia is worth being treated the same as any other country." Does it really take 10 years to scuttle the discriminatory rule? There exist in the United States more than 300 documents restricting trade with Russia. In Yeltsin's view, this problem could be solved with the United States in two years, and perhaps a bit longer with the other countries.

Saying that the "7+1" formula is becoming transformed into an "Eight," Boris Yeltsin underscored: "I am in no hurry with this idea. But neither do I doubt that Russia will be in the "Eight." A year from now, perhaps. Give or take a year, but it will be there." Still, as Japanese Prime Minister Miyazawa advised, the formula would remain the same—"7+1"—at the next summit in Italy with Russia only attaching itself again to the G-7.

The entire Russian delegation noted as an important result of the G-7's decision Russia's joining the GATT—even if this does not mean immediate integration. There will be talks. They may go on for two or more years, because agreement has to be reached with 111 countries.

Russia received special support from the United States and Germany. Helmut Kohl made a special address on the question of economic aid to Russia at the "7+1" session (Yeltsin and Kohl agreed to fly to Russia right after the summit and hold talks today on the shore of Lake Baikal).

Russian Trade Relations with G-7 Viewed

MK0907133493 Moscow SEGODNYA in Russian No. 32, 9 Jul 93 (signed to press 8 Jul) p 1

[Oleg Bergazov commentary in "7+1" rubric under general headline: "$2 Billion Is Reasonable Payment for U.S. Ambitions"]

[Excerpt] [passage omitted] The G-7 leaders lost no time waiting for the Russian president. First of all, an interim agreement was reached on relaxing customs barriers and duties within the framework of the GATT talks. The agreement is to be submitted on Monday for consideration to Geneva, where the GATT talks are under way, and last Tuesday and Wednesday the so-called "group of four"—representatives of the European Community, the United States, Japan, and Canada—were working away without a break. The agreement provides for full abolition or substantial reduction of customs duties on many commodity groups. But by far the most difficult question impeding the signing the final document of the Uruguay round of talks—the question of agricultural produce—was not considered in Tokyo and will be referred to Geneva. Nonetheless, the U.S. representatives call the agreement "historic," saying that history has not yet known such a substantial reduction of customs duties. The position of France—the United States' main opponent in the GATT talks—is considerably more restrained. "This is not an agreement on GATT but simply an report on the talks within the Uruguay round which proposes methods for further work," said French Foreign Minister Alain Juppe.

The question about the G-7's relations with Russia was also discussed during these several days. Apparently, the creation of a fund for the privatization of Russian enterprises, which could amount to $2 billion, will be announced. As for the "nondiscriminatory trade regime," which Russia would like to get from the West, the situation here is somewhat more difficult. In Tokyo the EC commission's statement on trade with Russia was made public, pointing out in particular that economic reform in Russia is not yet complete, which accounts for the fact that the EC is applying special rules to Russia on certain matters. Among the obstacles that prevent the establishment of equal trade relations between Russia and Eastern Europe it notes the following: state subsidized exports, export quotas, absence of normal credits and positive interest rates, and also the subsidizing of nonviable enterprises.

In spite of this, the document says, the EC counties are the primary trading partner both of Russia and all the CIS states. The volume of goods from the CIS states sold in the United States is 20 times less than in the EC countries; and in Japan, 8 times less. Moreover, the EC uses low customs tariffs for Russian imports, while the United States and Japan are applying virtually the same rates as for goods from Western Europe. Therefore, Western Europe is readdressing accusations of discriminatory policy to the United States and Japan.

The EC Commission's statement nonetheless ends on an optimistic note: The EC is ready to organize a free-trade zone with Russia but only when all the requisite conditions are in place. "We have displayed certain flexibility in this matter and now hope for the same flexibility from Russia," the statement says.

G-7 Support Said To Be 'Gratifying'

PM0907133393 Moscow KRASNAYA ZVEZDA in Russian 9 Jul 93 p 3

[Special correspondent Vladimir Kuzar report: "Support For Reform in Russian Must Be Real"]

[Text] Tokyo—The aircraft carrying the Russian president was still airborne when the political declaration entitled "Forward to a Safer and More Humane World" was adopted here at the G-7 leaders' session in Tokyo. And the fact that one of the main sections of the document is devoted to Russia sets the tone of the Russian president's forthcoming meetings with the leaders of the leading industrially developed states.

"We express firm support for Russia's resolute efforts on the path of reform under the leadership of President Boris Yeltsin and his government," the declaration says. "We also expect that Russian diplomacy will continue to follow the principles of legality and justice, carrying out a constructive and responsible role in the world community." The declaration also calls on the states of the former USSR with nuclear weapons on their territory to ensure their rapid and safe elimination within the framework of current international agreements. The G-7 countries have devoted particular attention to the need for the speediest ratification by Ukraine of the START I Treaty and for Kiev and Almaty to join the Nonproliferation Treaty.

Well, the words of support for Russian reform cannot fail to be gratifying. But the most important aim of the coming talks is to make this support a reality. The Russian delegation sees one of its main tasks as being to achieve the elimination of discriminatory tariffs, quotas, and other obstacles in the way of equal economic cooperation with the leading world powers. The fact that this is entirely feasible is shown by the G-7's sensational decision to remove or lower a considerable number of tariffs in trade with each other. Judging by the statements from certain delegation representatives, there is also a proposal on the table to lift the notorious Coordinating Committee for Multilateral Export Controls' restrictions on trade with Russia. But we will only learn on 9 July if this will happen.

The first day of the Russian president's stay in Tokyo was almost exclusively Japanese. And this is understandable, if you take into account the difficult relations between our states. In his speech at Haneda Airport, the Russian president expressed confidence that Moscow and Tokyo would be capable of removing the obstacles of the past and of finally settling their bilateral relations. "This must be done on the basis of the principles of legality and justice. Then we will definitely achieve the proper level on the basis of the balanced development of the entire range of Russo-Japanese ties," Boris Yeltsin noted.

He also stressed that relations with Japan are one of the most important priorities in Russian foreign policy. And these relations are of fundamental importance not only for our two peoples, but also for the prosperity of the Asia-Pacific Region and the world as a whole. The Russian leader expressed regret that he was unable to visit Japan earlier, as had been planned. "I am grateful to the Japanese Government and people for their understanding with regard to the circumstances which prevented the visit at the time. It will definitely be held," Boris Yeltsin noted. He gave an assurance that Japan will always have an honest and consistent partner in the new Russia. Judging by everything, the same ideas will also dominate the meeting due to be held today between the Russian president and Japanese Prime Minister Miyazawa. Boris Yeltsin's stay in Japan will last until 10 July and will end with a meeting with the U.S. President.

Commentary Praises Aid, Critcizes Trade Restrictions

PM1207082793 Moscow KRASNAYA ZVEZDA in Russian 10 Jul 93 p 2

[Special correspondent Vladimir Kuzar report: "'Seven Plus One' Is a Formula for Cooperation"]

[Text] Tokyo, 9 Jul—As I write, Boris Yeltsin is still meeting here in Tokyo with the G-7 leaders—a major event in the dialogue between our country and its partners. The results of these talks—means of aiding Russian reforms as well as highly important international problems will be discussed during these talks—will be known later. But even now the Tokyo meeting can be said to have been extremely useful for Russia.

It was no accident that U.S. President Bill Clinton, speaking about the main achievements of the meeting, allocated first place to the adoption of a "rounded aid program for Russia, since it is entirely in the interests of both the United States and all the world's other democracies to aid Russia." This involves primarily a program to help privatize and reorganize enterprises. The program has caused serious disputes within the G-7. The upshot of the debate was a decision to allocate $3 billion to fund this program. Moscow will, moreover, be given $500 million free of charge in the form of subsidies for the implementation of technical aid. And $1 billion will be allocated as export credits. The World Bank and other financial institutions will provide the same amount. Finally, another $500 million will be earmarked for those regions of Russia that are carrying out structural reorganization of major enterprises with regional significance. The G-7 countries also agreed to set up a support group in Moscow designed to promote the effective implementation of the West's Russian aid program.

Things are somewhat different as far as removing various discriminatory obstacles in the way of Russian exports are concerned. The abolition of quotas and tariffs and the abandonment of the trade restrictions introduced by the Coordinating Committee for Multilateral Export Controls, which many people expected, did not happen. It proved harder for the G-7 to do this than to provide new credits. The G-7 leaders confined themselves to the promises contained in the economic declaration to "cooperate with Russia as it moves toward joining GATT" and also to "step up efforts to control exports in line with the realities of the post-Cold War era". I do not think that these woolly promises match today's requirements.

It is notable that meetings with the Russian president are henceforth to be a mandatory element of the annual G-7 meetings. According to British Prime Minister John Major, there were "no differences of opinion regarding the desirability of Mr. Yeltsin's coming to Naples next year and of inviting him along now" among the G-7 leaders.

Boris Yeltsin's trip to Tokyo evidently brought some positive changes to relations with Japan. Local press reports indicate that the Russian president's statement yesterday at the airport and his meeting with the Japanese prime minister somewhat defused the existing tension. What is more, statements by Moscow's and Tokyo's official spokesmen indicate that a specific date for the Russian president's official visit to Japan has already begun to be discussed.

G-7 Said 'Not a Failure,' 'Not Ideal'

MK1007094493 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 10 Jul 93 p 1

[Sergey Gulyy commentary: "We Have Given You; What More Do You Expect? From Japan With Love (and Nothing More?) Returns President Boris Nikolayevich"]

[Text] The visit to "southern territories" has taken place after all. When members of a terribly overrefined club invite a high-born but poor relative to a get-together—either out of respect for his former services or in anticipation of an inheritance—it is worse than an insult to refuse the invitation under the pretext of a bad state of health or the absence of a dinner jacket. Russia, whose manager has been invited to the Tokyo table, has plenty of reasons for not thinking of itself as a humble petitioner.

And Boris Yeltsin went not to ask. Five years had hardly passed when the Kremlin seemed to understand that neither "against perestroyka" nor "against a new Russia" would they ever give as much as needed to build a bright future smoothly and without overstraining oneself. In fact the entire building process has been based on overstraining. Now the focus is on seemingly secondary matters, like a protective hat for the work superintendent, so that his head does not get overheated by the rays of the market economy. The package from the Kremlin contains just a few but very important business proposals—to abolish discriminatory practices against Russia as a country with the birth mark of a "centralized" economy, and also sanctions against our goods which are beyond competition in the world market (cheap but good). And also to reschedule the debt payment. Yes, and also to relieve it from the unwitting role of sponsor of former Soviet countries. A year ago in Munich the majority of "requests" froze in the air. The G-7 made do with a number of financial stopgaps.

Now, when Yeltsin seems to have been strengthened by a referendum, while something incomprehensible is going on with their own domestic economies, the "imperialists" have come out with a "Solomonic decision"—here, have something, at least 3 billion. After all, he cannot be allowed to go empty-handed, and moreover there are virtually no problems for themselves—the actual aid (nonreturnable) is barely more than one-sixth of that sum. Now President Clinton will be able to state publicly that he expects a more active nuclear disarmament from Russia as well as the creation of a new expansive market for Western goods. Indeed, he who pays the piper calls the tune.

To go to Japan and not to touch on the "Japanese" question is impossible. Although the talk with the aboriginal leaders at all levels took up barely more than an hour overall, the trip to Tokyo, without a doubt, has laid the foundation for a full-scale meeting with the Japanese. There was a little joy for the hosts—the guest immediately, at the airport, in fairly elaborate expressions apologized for the double delay. A gesture, it should be noted, Boris Nikolayevich resorts to only on exceptional occasions. The heralds were just about to announce a new date for a visit—this fall, but on second thought they understood that September and October were mentioned exclusively in tentative terms.

The "patriots'" happy headache—the islands—even if they were mentioned at all, were referred to in the most innocent context, while the G-7 political declaration deftly did without mentioning the territorial thorn, at the same time calling on Moscow to display "legitimacy and justice" in politics, which could be understood as support for the Japanese claims.

To sum up, the third attempt was surely not a failure, but it was not ideal either.

Paper Criticizes Acceptance of G-7 Mission in Moscow

PM1207083593 Moscow PRAVDA in Russian 10 Jul 93 p 3

[Vladislav Drobkov report: "He Who Pays the Piper Calls the Tune"]

[Text] Washington, 9 Jul—People in Washington are not concealing their pride at the G-7's decision in Tokyo to grant Russia $3 billion to assist the privatization process. U.S. Treasury Secretary L. Bentsen told journalists that it had been necessary to do some "arm-twisting" among the U.S. allies.

It is no secret that most members of the closed G-7 "club" clearly did not have a burning desire to allocate any more vast sums for "Russian aid." Moreover, the main reason for this was not just meanness on their part or their own economic problems but rather a sorry fact that has become obvious to everyone: However much the West may give the incumbent Russian Government "for reforms," this money mysteriously disappears as it were into some kind of "black hole." Without any tangible results for the Russian economy itself or for reforms or for Western entrepreneurs, who are waiting for normal conditions for business to finally be created in Russia.

Nonetheless U.S. President Bill Clinton managed to persuade the G-7 at the Tokyo meeting to allocate Russia more money. This time for privatization. Admittedly the Americans did not succeed in getting together the $4 billion that Boris Yeltsin was promised for this purpose in Vancouver. The G-7 agreed only to $3 billion in subsidies and credits for Moscow. Of this money Washington itself promised to provide $375 million. The United States previously spoke of its willingness to grant around $0.5 billion for this purpose.

Three-fourths of the money now being allocated by the G-7 comprises credits at low interest, which will increase still further Russia's already vast debt to the West.

At the same time people in the West prefer not even to remember some of the other promises made comparatively recently to Russia. For instance, the promise of $6 billion for the creation of a "ruble stabilization fund." The fund has not even been set up, because no one in the West took seriously Moscow's assurances that the Russian currency was about to be strengthened and inflation checked. "Stabilization" has reduced the ruble to a value of less than 0.1 cents. We must now wait and see what fate befalls a "privatization fund" that is half the size.

Incidentally, the West has drawn certain conclusions from previous experience. No longer relying, as we can see, on the incumbent Russian leadership's ability to manage the money that it is allocated in an honest, sensible manner, the G-7 has adopted the unprecedented decision of opening a special mission in Moscow that will be tasked with seeing that the West's "privatization" money does not disappear "illicitly."

Bill Clinton himself said that Boris Yeltsin's willingness to agree to these terms for Western aid for the privatization process "made a big impression" on him. It cannot be denied that there is cause for amazement. By no means every government is prepared to task foreign observers to effectively keep track of the conscientiousness and activity of its own ministers and other officials. And, what is more, in such a sensitive, purely internal sphere as the redistribution of national property and the privatization of whole sectors.

I do not think that the U.S. Congress or the British parliament could have agreed to such a "mission." Although Americans have already done something similar in Japan. Admittedly, in the capacity of a victorious power...

Promises of Liberalized Trade With Russia Questioned

PM1207111193 Moscow PRAVDA in Russian 10 Jul 93 p 3

[Vladimir Peresada report: "Lost Illusions"]

[Text] Brussels, 9 Jul—Virtually all the West European press shares the opinion that what is far more important for Russia is not financial injections, which are insuffifient even if they were much bigger, but the chance of selling its raw-material and other commodities on the world market on a profitable, regular basis. Indeed exports could be a stable, reliable source of hard-currency revenue not burdened by the "dead weight of interest payments," and, accordingly, a means of obtaining imports. People in Moscow are aware of this, the Netherlands' DE TELEGRAAF writes, and for that reason hinted repeatedly on the eve of the Tokyo meeting that they are hoping for aid from their Western partners in expanding their trading opportunities.

What specifically is meant? More extensive opening up of Western markets to Russia, access to which has been rendered difficult by customs and other barriers, Brussels' LIBRE BELGIQUE writes. On this premise Russia is striving to create a free trade zone with the EC, acquire the status of a full-fledged GATT member, and, judging by everything, also take an equal part in the club of the world's most developed countries, where global economic strategy is discussed and adjusted.

Now let us see whether these hopes are justified. The creation of a joint free trade zone with the EC is so far only an idea and a thing of the distant future since there are still "obstacles" in the way of our commodities today here. Many of restrictions imposed by the Coordinating Committee for Multilateral Export Controls—a notorious organization of "cold war" times—survive. You would have thought that in view of the "democratic changes" in Russia the conference in Tokyo could have abolished this "relic" altogether. However, the press reports that this matter was not even raised there in earnest. The possibility of Russia rapidly joining GATT is also in doubt although there are plenty of "cheery forecasts" to be heard in Moscow government offices. The opinion is different in the West, and it was actually during the work of the conference that current EC President J.L. Dehaene, Belgium's prime minister, said that conditions have not yet taken shape for Russia's integration into GATT.

As for the "seven" being transformed into "eight" by the addition of Russia, observers here think unequivocally that there are no prospects of this happening in the foreseeable future. And it is not without irony that they "ridicule" this idea. Of course, Mr. Yeltsin was invited along with everyone else yesterday to a reception with the Japanese emperor, LE SOIR writes. But no one envisages Russia being rapidly admitted to the elite club of the world's most developed countries.

Expediency of G-7 'Privatization Fund' Questioned

MK0907125493 Moscow SEGODNYA in Russian No. 32, 9 Jul 93 (signed to press 8 Jul) p 1

[M.L. report under "1+7" rubric under general headline: "$2 Billion Is Reasonable Payment for U.S. Ambitions"]

[Text] The background to the so-called "privatization credit" for Russia is fairly straightforward. The credit was initiated by the Americans, stunned by the scale and pace of privatization in Russia and the talk by progressive Russian politicians about this process being of top priority importance. In principle, if the financial resources that the West could make available to Russia were inexhaustible, there would be no harm in extending this credit. On the other hand, in order to rehabilitate privatized enterprises (and this is what this credit is designed for) even the originally promised sum of $4 billion is negligible. Germany has been spending tens of billions of dollars for these purposes in its eastern zone with very modest results.

Basically, the "privatization fund" involves investment credits whose effective use today arouses many questions. There is high probability that this money, just like virtually all investment resources distributed by the state, will disappear into thin air, while Russia will be confronted with the problem of servicing an additional sum of foreign debt.

Therefore the halving of the pledged credit sum is the main positive outcome of this affair.

The credit idea has come up against rather skeptical reaction from the United States' G-7 partners. In fact, they are essentially right. It needs to be noted that the G-7 has displayed far greater enthusiasm for extending to Russia financial resources to stabilize and consolidate its payments balance. Especially when there are good reasons to believe that these funds can be used effectively. Therefore the $2 billion privatization fund is modest payment for U.S. ambitions. And it would be just as well if it grew a little slimmer yet.

G-7 Talks on Nuclear Moratorium May Meet Resistance

MK0907131693 Moscow KOMMERSANT-DAILY in Russian 9 Jul 93 p 4

[Vladimir Savvin report: "Talks on Stopping Nuclear Testing. Ban on Nuclear Explosions May Meet With Resistance"]

[Excerpts] Alongside economic matters, problems related to ensuring international security have been put on the agenda of the Russian president's talks with G-7 leaders that opened yesterday. One of them is an extension of the international moratorium on underground nuclear testing, spoken for by the heads of the United States, Russia, and France in recent weeks. [passage omitted]

A number of nuclear specialists, politicians, and military men—including Prof. Viktor Mikhaylov, minister of atomic power engineering and industry—even if they do not directly suggest that the "race" for new types of nuclear munitions be developed, nonetheless insist on at least a limited number of underground explosions to be conducted in order to establish the degree of efficiency and safety of the main structural components of the nuclear munitions with which the Russian army is now equipped.

According to the opponents of a total ban on testing, the existing methods of mathematical and analogue simulation do not permit a sufficiently precise idea of the real physical processes that accompany explosions of nuclear warheads to be obtained. That, in its turn, puts into question simulation-assisted results relating to the warheads' reliability and safety; what is more, it gives no chance to modernize the weapon.

These conclusions are not devoid of logic. Besides, there is yet another reason for which test explosions may be continued. The matter is that realization of the program of tests till 1996 confirmed by the government gave Russian nuclear scientists the last chance to rescue this sector, which is now experiencing shortages of orders and funds, and to at least preserve the testing facilities on testing sites.

Be that as it may, Boris Yeltsin's decision to extend the moratorium, which did not at first meet with loud protests, may soon come under serious criticism from members of the military-industrial complex and parliamentarians.

Thus, the prospect of talks on which the leaders of the nuclear powers are trying to agree may turn far from being as promising as they seem today.

Kozyrev: G-7 Understands Position on Baltics

LD0907154493 Moscow ITAR-TASS in English 1503 GMT 9 Jul 93

[By a special ITAR-TASS correspondent]

[Text] Tokyo July 9 TASS—The "G-7" countries have shown an understanding of Russia's stand on the problem of the Russian minority in republics of the Baltic, Russian Foreign Minster Andrey Kozyrev, who is accompanying President Boris Yeltsin on his visit to Tokyo, said in an interview with ITAR-TASS today.

The head of the Russian Foreign Ministry noted that if earlier the "G-7" countries had been inclined to extend support to the Baltic states, then "now their understanding of Moscow's stand on this question is strengthening." "It gladdens and reassures," he said.

Noting that during all his bilateral meetings in Tokyo with "G-7" foreign ministers the problem of the Russian-speaking population in Estonia was discussed, Andrey Kozyrev indicated that "the Russian administration's stand is wholly permeated with a wish to remove all obstacles on the path to establish goodneighbourly relations with this republic."

"The strength of our stand lies in that it consists of criticism of specific human right violations in the Baltic states. This is not unfounded criticism, as is the case with our opposition," the minister said.

Reportage on Clinton-Yeltsin Talks

Yeltsin Comments on Meeting

LD1007091493 Moscow Radio Rossii Network in Russian 0500 GMT 10 Jul 93

[Report by special correspondent Aleksey Abakumov from Tokyo]

[Text] I will remind you that Boris Yeltsin arrived here for the G-7 meeting. The leaders of the seven leading industrially developed countries paid special attention to our country. In a political declaration, the seven expressed support for the reforms being conducted by Boris Yeltsin, and in the economic declaration they stated the allocation of 3 billion dollars to Russia for a program of privatization and structural reorganization of the economy. Yesterday Boris Yeltsin took part in the Tokyo seven-plus- one meeting and in a series of bilateral talks. At the final news conference, he stressed that a dialogue with equal rights took place in which there were no pupils or teachers. As far as Russian- Japanese relations are concerned, including the problem of the Kuril islands, they will be dealt with during the president's official visit to Japan, which is to take place this autumn.

This morning—at that time it was the middle of the night in Moscow—Boris Yeltsin met with U.S. President Bill Clinton. The heads of the two countries then held a short briefing. Boris Yeltsin said, in particular:

[Begin Yeltsin recording] Since the Vancouver meeting, Mr. President and I have had difficult days and months. Mr. President had the task of pushing through Congress the package that was proposed at Vancouver. I had the task of winning a referendum and preparing for the adoption of a constitution. I think that we, the two presidents, have accomplished both of these tasks, and today we have again checked our watches to see what has happened since the Vancouver meeting, what was planned there, what has been implemented, what has not been implemented, and why not. In general, it was just like being at school.

I think that the meeting that took place today was very packed. We did not reckon in terms of quantity, but we discussed at least 25 questions for sure. They dealt with bilateral relations. They dealt with international issues, starting with the Asia-Pacific region, the Mideast, and, of course, as it were, our common military problems. In general, I am satisfied with our meeting, our conversation. I think our partnership, our friendship, is growing stronger, and that guarantees that our cooperation will go on developing. [end recording]

[Abakumov] For his part, the American president noted that a wide range of problems of mutual interest had been discussed, and he commended the talks. So that brings the Tokyo seven-plus-one meetings to an end.

Joint News Conference Reported

LD1007034393 Moscow ITAR-TASS World Service in Russian 0200 GMT 10 Jul 93

[Text] Tokyo [dateline as received]—Russian President Boris Yeltsin and U.S. President Bill Clinton have held a meeting in the capital of Japan. The heads of the two states have discussed a series of international problems and some issues in bilateral relations.

In the course of a short joint news conference at the end of the meeting Boris Yeltsin stated in particular that the leaders of Russia and the United States had agreed to submit to Ukraine the idea of a trilateral agreement on nuclear problems.

Bill Clinton expressed the hope that he will make a visit to Moscow this year. "We have not set an exact date, but I have accepted President Yeltsin's invitation," the head of the White House said. Replying to a question put by an ITAR-TASS special correspondent, he stated that many American legislative acts which are of a discriminatory nature with regard to Russia can be repealed by Congress this year. "We have compiled an extremely long list of these acts which can no longer be justified, in our opinion," B. Clinton added.

The Russian president was in Tokyo for a meeting with the participants in the conference of leaders of the world's seven leading industrially developed countries. Today Boris Yeltsin is leaving for Irkutsk. He will have a working meeting with German Federal Chancellor Helmut Kohl on the shores of Lake Baykal.

Clinton Cited on Trade

LD1007080493 Moscow ITAR-TASS in English 0750 GMT 10 Jul 93

[Text] Tokyo July 10 TASS—Many American legislative acts of discriminatory nature towards Russia can be repealed by the U.S. Congress this year, U.S. President Bill Clinton said, replying to ITAR-TASS at a joint news conference held together with Russian President Boris Yeltsin after their meeting this morning.

The U.S. leader noted that many measures to limit economic relations with Russia were taken back in the cold war era. "We have compiled quite a long list of them that we think cannot be justified anymore," he stressed.

"And there is a strong base of support in both political parties in the United States Congress to remove those laws. So we will, as soon as I go home, we will begin to put in motion the process of removing many of those statutes."

The two leaders' meeting held at the American ambassador's residence in Tokyo was also attended, on the Russian side, by Finance Minister Boris Fedorov, Foreign Minister Andrey Kozyrev, Foreign Economic Relations Minister Sergey Glazyev. On the American side:

Secretary of State Warren Christopher, Treasury Secretary Lloyd Bentsen as well as Strobe Talbott, ambassador at large and special adviser to the state secretary [as heard] on the new independent states.

According to Yeltsin, the meeting discussed at least 25 issues. The sides examined both bilateral relations and international issues, including the situation in the Asia-Pacific region and in the Middle East as well as general military questions.

The U.S. President said at the news conference after the meeting that the United States has obligated over two-thirds of the funds that the U.S. promised to contribute to Russia's march toward democracy and free market at Vancouver.

America continues humanitarian aid in the form of food supplies. "We have provided substantial support for Russia's efforts to privatise state-owned industries," Clinton said, noting that loans to create new Russian businesses and jobs will soon be on the way.

The U.S. Export-Import bank signed a two-billion-dollar credit to Russia to retool its oil and gas complex. According to Clinton, work is in progress to pass a second round of Russian aid through the Congress.

The two sides expressed unanimous opinion that good partnership is developing between them. Yeltsin noted that today's talks spread for the first time to local conflicts in the countries of the Commonwealth of Independent States, the situation in Georgia and the Baltics. According to the Russian president, the two sides hold similar positions on these problems.

Clinton noted that the two leaders represent two great powers which resemble each other now much more than ever. He said at the same time that the two countries still have some differences, pointing to the supplies of Russian rocketry to India.

The U.S. President expressed opinion that the two peoples should be very satisfied with the present level of cooperation and the deep bonds of partnership created by the two nations.

Yeltsin said that the meeting participants reached an understanding to suggest Kiev an idea of a trilateral agreement of the United States, Russia and Ukraine on nuclear problems.

Clinton expressed hope that Ukraine will become a nuclear-free nation, and its government will fulfill its obligations to join the Nuclear Non-proliferation Treaty, to ratify the Start-1 Treaty and to turn to the Start-2 Treaty.

According to the American President, he may visit Moscow this year. "We didn't set a definite date, but I accepted President Yeltsin's invitation," he said.

'Text' of Joint News Conference

LD1007081193 Moscow ITAR-TASS World Service in Russian 0708 GMT 10 Jul 93

[By ITAR-TASS special correspondent; "Full Text of the Joint News Conference by the Russian and U.S. Presidents"—ITAR-TASS headline]

[Text] Tokyo, 10 July—Russian President Boris Yeltsin and U.S. President Bill Clinton today held a joint news conference in the Japanese capital at the end of their meeting, which took place in the residence of the US ambassador in Tokyo. Opening the news conference, the American leader said: Since I last met the Russian president in Vancouver, the Russian people have voted in a historic referendum in favor of continuing progress toward democracy and a free market. Brave steps have been taken in the direction of creating a new constitution.

We, in our turn, have already earmarked two-thirds of the funds that were promised in Vancouver to support Russia in its progress along the path toward democracy and the free market. We are providing the promised humanitarian aid in the form of deliveries of foodstuffs. We have given considerable support to Russia's efforts to privatize state enterprises. Loans aimed at expanding business activity and creating new jobs will be provided in the near future via the channels of the Russian-American business assistance fund.

This week the U.S. Export-Import Bank approved the granting to Russia of a credit of $2 billion dollars directed toward modernizing the oil and gas complex, and this will help to revive a vitally important industry like the energy sector and expand deliveries of U.S. equipment.

I have been telling America from the very start that the peoples of Russia and America will benefit alike from investments in Russia's future.

I would like particularly to mention a special project in which my wife Hillary is taking part. Having discovered that the spouse of the Russian president is very interested in improving dental services for children in Russia, she arranged for Army surplus equipment to be delivered to two clinics in Moscow. I praise highly the efforts of Mrs. Yeltsin in this field.

As you know, I am involved in preparatory work with leaders of the Congress and the leadership of both parties in order to get through the Congress a decision on granting a second batch of the promised financial aid. I am also working toward abolishing obsolete restrictions dating back to the times of the Cold War, which will give a new impetus to developing links in the field of trade, science, and culture between our countries. I expect to achieve success in this sphere as well.

We discussed a lot of issues today, but a common denominator for us is the fact that both of us are sure that what we have got is a good partnership. We think that this partnership works both to the advantage of the people of Russia and the United States. And we intend to maintain and develop it.

Russian President Boris Yeltsin then took the floor. This is what he said: After the Vancouver meeting, the President and I went through difficult days and months. The President had the task of passing the package put forward in Vancouver through the Congress. I had the task of winning the referendum and preparing for the adoption of the constitution. I think that we—the two presidents—have resolved both of those tasks. Today, we again synchronized our watches—so, what really happened after the Vancouver meeting? Which things of those planned have been implemented? Which have not and why? I think that today's meeting was very meaningful. We have not calculated their number, but we must have discussed at least 25 issues. We touched upon bilateral relations and international matters, starting with the Asian-Pacific region, the Mideast, and, certainly, our common military problems. I am satisfied with our talks. I think that our partnership and our friendship are becoming stronger, and that in itself is the guarantee that our cooperation will go on developing.

The two leaders went on to answer journalists' questions.

[Unidentified American correspondent] Mr. President, were you able to persuade President Yeltsin to halt the sale of Russian rocket technology to India and Libya? Did you discuss this topic, and what is the present state of affairs on this issue?

[Clinton] We discussed the considerable differences in views that exist and agreed to continue these negotiations intensively and without delay. I think that you will get some answers next week at least on the present state of these negotiations.

[Unidentified correspondents from Ostankino TV and IZVESTIYA] A question to both presidents. How do you view the level of Russian-American relations in the settlement of regional conflicts? Are they at the level of mutual understanding and constructive cooperation, or can they be defined as relations between allies?

[Clinton] I think that we have established a remarkable partnership. We have worked together on a whole range of questions, including the current G-7 meeting that we have just ended, and also the efforts aimed at avoiding the problems that will arise if North Korea withdraws from the Nuclear Non-Proliferation Treaty regime. I think that this is a remarkable partnership. Are there any differences between our countries and our positions? Of course there are. Can we resolve every question? Of course we cannot. We represent two great countries, which are now much more similar than ever in their history, however, there are still certain differences between us. But I think that our people must be very happy with the level of cooperation that we have and the profound links of partnership we have created.

[Yeltsin] I think we are developing a good partnership. Moreover, never before have we discussed local conflicts in the CIS countries, and this time we discussed the issues: the situation in Georgia, the situation in the Baltics, and some others. In other words, we discussed specific points, and in general we have a proximity of views.

[Unidentified REUTERS correspondent] A question to both presidents: Ukraine has said that it wants to be a nuclear power and doesn't intend to give away its weapons. What do you think about this?

[Clinton] There are different approaches in Ukraine. Ukraine has already undertaken to join the Nuclear Non-Proliferation Treaty, ratify the START-1 Treaty, and start considering the START-2 Treaty. We are involved in numerous and complex talks with Ukraine. At present they are aimed at achieving a comprehensive agreement on the super-enriched uranium in Ukraine and Kazakhstan and also in Russia. In other words, an active negotiating process is under way.

For my part, I can say that I hope Ukraine will have a nuclear-free status and its government will fulfill the obligations it has undertaken. I also hope that the United States and Ukraine will be able to interact positively so that they can feel that it meets their interests. I hope President Yeltsin shares my view.

[Yeltsin] Yes, I agree, and we agreed today to propose to Ukraine the idea of a tripartite agreement—with the participation of the United States, Russia, and Ukraine—on nuclear issues.

[Unidentifed ITAR-TASS correspondent] I have a question for President Clinton. President Yeltsin yesterday expressed the hope that about 300 U.S. legislative acts that discriminate against Russia might be abolished over a period of about two years. What can you say on this matter? When can most-favored-nation status be extended to Russia?

[Clinton] First of all, I think that many of those acts that discriminate against Russia, which were adopted during the Cold War, will be removed from American law this year. We have drawn up quite a long list of legislative acts that we do not consider justified any longer. Both political parties in the U.S. Congress are strongly inclined to abolish these laws. As soon as I return home, we will start removing many of them.

As for the second question that you asked, we are also working on the possibility of lifting, as far as Russia is concerned, the restrictions envisaged by the Jackson-Vanik Amendment. The president and I discussed a number of complex matters in this regard and agreed on our future actions. I think that if we manage to resolve the existing problems, you will see that we are making headway in this field as well.

[Unidentified Correspondent] Are you planning to hold a meeting in Moscow?

[Clinton] Possibly. I hope it will take place. We have not come up with an exact date, but I accepted President Yeltsin's invitation.

[Unidentified Correspondent] Will it be this year?

[Clinton] I hope that it will take place this year. It depends on the situation at home.

Reporting on Russian-Japanese Talks

Yeltsin, Miyazawa Meet

PM0807114593 Moscow IZVESTIYA in Russian 9 Jul 93 First Edition pp 1, 3

[Sergey Agafonov and Vasiliy Kononenko article: "Tokyo Summit: G-7 Seeking Formula for Success"]

[Excerpt] Tokyo—[passage omitted] The G-7's second day of work was almost a sensation—it was unexpectedly announced that publication of the meeting's political declaration was being postponed for 90 minutes. The body of reporters waited tensely for the outcome, trying to guess the reasons for the delay, but the outcome proved dull, the reason lying in the Yugoslav paragraph, which had been enlarged compared with the draft—in the end, the declaration was adopted with minor amendments and without revolutionary clashes. There are 10 points in the declaration, and it mentions in detail Yugoslav affairs, the Russian reforms and support for Yeltsin, support for the reforms in Ukraine and hope for the successful development of Russian-Ukrainian relations following the recent meeting between Yeltsin and Kravchuk (this is for the first time), appeals to North Korea to return to the Nuclear Nonproliferation Treaty and to Ukraine to ratify the START I Treaty, and an invitation to Ukraine and Kazakhstan to subscribe to the Nuclear Nonproliferation Treaty as nonnuclear powers. All the other points—condemnation of terrorism, support for human rights, the position on the Near East with a mention of the bad behavior of Iraq and Libya—may boldly be considered routine.

The Japanese minister who read out the declaration declared that the G-7's support for the Japanese position on the territorial dispute lies behind the declaration's appeal to Russia to "develop diplomacy on the basis of the principles of legality." According to K. Muto, understanding was reached on this point among the meeting participants—which eliminated the need to indicate the territorial problem directly in the text of the document, particularly as such a mention was contained in last year's Munich declaration of the G-7, which remains in force on this specific subject.

After the adoption of the declaration and dinner the heads of the G-7 embarked on a new round of discussions, and at the same time an aircraft landed at Tokyo's Haneda Airport with the Russian president. On his arrival, after thanking Japan for its support and for its interest in the success of the profound transformations in Russia, Yeltsin voiced regret that his official visit to Japan did not come off last September and expressed the hope that Japanese-Russian relations will expand and improve in the future—which will benefit not only the two countries but also the whole world.

The first item on the program of the Russian president's stay in Tokyo was his meeting with Japanese Prime Minister Miyazawa. As expected, it took place behind closed doors. The official statement made on its results by the Russian Federation president's press service produced no sensations. IZVESTIYA's correspondents managed, however, to learn from members of the Russian delegation that that conversation was in no way connected with the problems raised at the summit. An understanding to this effect had been reached in advance during multifaceted consultations. The Japanese side agreed with it. It was decided to postpone the whole package of problems in Russian-Japanese relations, including the painful territorial issue, until B. Yeltsin's official visit to Japan, which, as he declared on the eve of his departure for Tokyo, will hardly take place this year.

Of course, Premier Miyazawa could not totally ignore the problem of the "northern territories." He most likely did this so as to acknowledge its existence. Of course, such a position can be regarded as a compromise or concession. Only not one by Miyazawa to Yeltsin and vice versa, but a concession to the G-7 leaders. The chief thing, on which they all insisted, was that nothing unexpected must happen in Tokyo. Therefore they all exerted corresponding pressure on the Japanese leadership.

As the aforementioned sources reported, the package of economic questions in Russian-Japanese relations was hardly examined at the meeting. In the space of 15 minutes just general intentions to develop cooperation and not to link the economy with politics were expressed. Yeltsin pointed out that Japan's assistance in the matter of support for the Russian reforms is very important. As regards resolving the territorial dispute between the two countries, a formula was proposed by him in this regard: It would be better for the two countries' future leaders, not bound by previous statements and promises, to tackle it.

On the same day the Russian president participated in a supper, organized in accordance with all Japanese traditions, together with all the leaders of the seven industrially developed countries in the imperial palace.

Yeltsin-Miyazawa News Conference

LD0907184993 Moscow ITAR-TASS World Service in Russian 1428 GMT 9 Jul 93

[Question and answer session at news conference given by President Boris Yeltsin and Japanese Prime Minister Kiichi Miyazawa in Tokyo on 9 July]

[Text] Tokyo, 9 Jul (ITAR-TASS)—[Unidentified KYODO TSUSHIN correspondent] Mr. Prime Minister, you have just said that you have invited President

Yeltsin to the meeting of the Seven in Naples. As for the present Tokyo meeting, Indonesian President Suharto would have liked to take part in the meeting but was refused. This is the fourth time that a Soviet and then a Russian leader has received an invitation. Will these meetings always be held on the principle of Seven plus One, or will the Seven turn into Eight?

And now a question for President Yeltsin: Having taken part in this meeting, do you already regard yourself as a representative of an Eight, and if not, when is that going to happen?

[Miyazawa] It is not only our country alone, but all countries of the Group of Seven are extremely interested in Russia becoming a democratic country, progressing toward a market economy, and pursuing policies in various spheres which will agree with the countries of the Seven. That is why we invited President Yeltsin this year and would like to invite him to Naples next year to a meeting with the same composition of participants.

[Yeltsin] As for a Group of Eight, I am in no hurry. Time is on our side. We shall join the Eight, I am confident of that—be it a year sooner or a year later.

[Unidentified INTERFAX correspondent] Boris Nikolayevich, you have just said that you are in no hurry to join a G-8. I would like to put the question this way: In your opinion, has the Tokyo summit made a new contribution to the model of relations between Russian and the G-7 countries, something you are always talking about and trying to achieve?

[Yeltsin] Yes, I tried to say this in my address. Certainly the Tokyo meeting was different from the others in the way that absolutely concrete programs were discussed here. Absolutely concrete. Concrete political issues, concrete economic issues, and concrete diplomatic issues. This was the distinction of the Tokyo meeting and certainly it was very useful.

[Unidentified Mexican radio correspondent] Mr. Yeltsin, you have said that during the forthcoming visit to Japan you will discuss the Kuril Islands with Prime Minister Miyazawa. Do you think that you have managed to achieve some progress in resolving the problems relating to the islands?

[Yeltsin] It was a Seven pluse One meeting after all. We simply did not have time to discuss bilateral problems in full. We had talks with Mr. Miyazawa for 30 minutes only. We did not have time but we firmly agreed that the Russian president will visit Japan in mid-October. We will prepare for discussing the issues in full then.

[Unidentified NEZAVISIMAYA GAZETA correspondent] Boris Nikolayevich, can you please tell us how long the transitional period will be during which the West may lift all the restrictions on Russia's foreign trade? We know that the G-7 foreign and finance ministers have proposed that this period should last ten years. Could it possibly be two to three years?

[Yeltsin] I think each country will have its own transitional period. The United States, for example, has around 300 various legislative documents which are discriminatory in relation to Russia. However, President Clinton has already put to Congress a proposal to amend these bills, and this process has gotten going at full speed since Vancouver. As for the leaders of the other countries, either they have not yet embarked on this work, or else they have less work to do regarding discrimination. Therefore, I believe that in the case of the United States, say, we shall be able to complete this process in two years. With the other countries it may take a little less or a little more.

[Unidentified Correspondent] I have a question for President Yeltsin. I would like to know what advice you could give to the countries of the Group of Seven with regard to their unemployment problems and economic difficulties?

[Yeltsin] I said in my opening statement that I understand the difficulties currently confronting the economy of the West and the problem of unemployment, and I assured them that there will be no export of workforce from Russia to other countries—at any rate, not in the next few years. They need not worry about this. Our unemployment rate today amounts to only 1.5 percent.

[Unidentified FINANCIAL TIMES correspondent] Mr. President, you wanted to raise the issue of access for Russian goods to Western markets. Instead you were offered a privatization support package. I would like to know what you see as the chief success and the chief failure of your meeting with the leaders of the Seven?

[Yeltsin] I spoke quite seriously on the issues concerning discrimination in trade. I did not ask for any special conditions. I asked that Russia be treated like any other country. We are for freedom of trade, and we are moving toward it. We are moving toward it in our domestic trade and in our foreign relations. Therefore, the thing that dissatisfied me most about this meeting was that my intensive appeals met with the answer: "Yes, of course, we know this is difficult and we must tackle these issues." As for results, the most concrete of them is the privatization support fund of three billion dollars. I would also consider the general atmosphere of the meeting as one of its positive and satisfying aspects. It was not as if there was a whole board of teachers sitting and then a studfent arriving whom they start to grill on all possible subjects. On the contrary, there was an atmosphere of equality, everyone was calm and respected others, and I think an important role in this was played by Mr. Miyazawa.

[Unidentified SANKEI SHIMBUN correspondent] I have a question for President Yeltsin. We have great respect for your efforts in the fields of democratization and privatization. But as regards our national thinking, we would like you to give us back the islands occupied by Stalin. We also want you to resolve the problems of our memory of our prisoners of war. Without a settlement to these issues, the Japanese people will find it very hard to reconcile themselves to the notion of our enormous taxes being spent on aid to Russia. Twice the Japanese people waited for your arrival in Japan, but you didn't come. Now you are in Japan, and we would like you to express yourself frankly on the issues of the islands and the prisoners of war.

[Yeltsin] Regarding the prisoners of war, something has actually been done. A special government resolution has been issued, and we have introduced visa-free visits to graves on the islands. We have now prepared a government resolution allowing visa-free visits to all graves of prisoners of war anywhere in Russia. This resolution will be signed in the next few days. In addition, local authorities have been instructed to supervise and tidy up the cemeteries. Thus, there is some movement in this respect.

Regarding the islands, I must repeat once more that we have not discussed this subject. We need first of all to discuss every aspect of it and only then to pronounce on it. I must not speak off the cuff, or else I shall not be allowed back into Russia. I know I shall be seen off from Japan with applause ringing in my ears, but I shall not be allowed back into Russia at all. So let me put it like this: We shall prepare for the visit, and we shall discuss these matters there. I told Mr. Miyazawa: "Our people's lives are hard right now. They will find it very difficult to digest yet another political problem, such as the territorial issue. They will not understand it now. The Russian people will explode. They are a calm people, and, as you can see, they have taken the most intense part of the reforms, and there are no strikes at all now, but they will not take that. So if Japan gives more assistance to the economic reforms in Russia, and the reforms in Russia move more quickly and people's lives begin to improve as a result, then the result of that will be that the Russian people will take a calmer view of any solutions to the territorial issues, if they are found during the visit."

[Unidentified Russia's Television correspondent] Boris Nikolayevich, you have just received an aid package from the Seven. What steps are you going to take in Russia to ensure that this money is used in the best possible way and is not wasted?

[Yeltsin] There are little 'subpackages' in this package. That is, they are little in terms of the paper they are written on, but in fact they are quite substantial. Take, for example, the revival of the oil and gas complex—this is $840 million [allocated to the project]. And it is precisely into this sphere that this money will be channeled. Or, take the stabilization of the ruble—$1.5 billion now and another $1.5 billion in the fall. And it will be spent on stabilization of the ruble, that is, on reinforcing the budget so that a stable ruble-dollar rate is maintained, so that this rate is maintained. Have you noticed that it has been holding for a month? Well, we must hold it further. We should not, perhaps, let go of it abruptly but we should hold it. Then we should gradually lower it and hold it again. We have worked out this standpoint jointly with the government and the Central Bank. Each million [dollars] has its own destination, a purpose for which it will be used. All projects for the use of this money are ready. Distinctions should be drawn between direct noncredit aid, credit aid, reserve fund, loan, and so on. There are many forms of assistance and they should not be lumped together.

[Presidential press secretary Vyacheslav Kostikov] Boris Nikolayevich, we have ignored our biggest news agency, ITAR-TASS, so the next question will be from its correspondent, Vasiliy Golovnin. It will be the last question.

[Golovnin] I would like to ask the Russian president and the Japanese prime minister one short question each. Boris Nikolayevich, as far as I am aware, your statements in Tokyo have been very well received by the Japanese public. Unfortunately, though, opinion polls show that the Japanese have certain complaints against the Russians and that the Russians are not always satisfied with Japan. I would like to hear your view on this frequent lack of psychological unity between our peoples.

My question to Prime Minister Miyazawa is this: What are your impressions of your meeting yesterday with President Yeltsin?

[Yeltsin] Psychologically, this mood on the part of both the Japanese and the Russian peoples is perfectly easy to explain. And if you, the media, do not stir up the territorial issue prematurely, it will gradually die down. Our media should do the opposite: Educate people to respect each other—teach the Japanese to respect the Russians and the Russians to respect the Japanese. For instance, why did you not show a film about the Kuriles on St. Petersburg television (the reference is to the documentary film, "The Islands", by director S.Aranovich—ITAR-TASS note)? Why did you not show it on Ostankino television's first channel? Why, I ask? Because you were afraid that something might happen. But you should have shown it, and you definitely should show it still. On my arrival [home] of course, such instructions will be given. In other words, I believe this is a temporary phenomenon.

Nevertheless, in our history we have accumulated so much that is positive and good in relations between the Japanese and the Russians, and we must somehow develop these good and positive elements further.

[Miyazawa] At the airport yesterday Boris Yeltsin delivered his message to the people of Japan right away, and I think this was a very good message. During his subsequent meeting with me he said that the aim of his present trip to Japan was to have a meeting with the leaders of the Seven and that the territorial issue would be discussed in the fall, during his visit. I said that I was pleased with this answer. As to the meeting with the Seven, President Yeltsin said that there was no atmosphere as if a student was sitting among his teachers. The atmosphere was indeed entirely different. Everyone proceeded from the conviction that the problems they are facing should be discussed jointly. I will not deny that our national feelings are quite complex, but I think this trip has produced a positive effect.

Kozyrev on 'New Tone' of Relations

LD1007130793 Moscow Russian Television Network in Russian 1000 GMT 10 Jul 93

[Interview with Foreign Minister Andrey Kozyrev by unidentified correspondent; place and date not given; from the "Vesti" newscast—recorded]

[Text] [Kozyrev] An important step has been taken, not just regarding Russia's being the successor state to the former union, but regarding a full-scale dialogue between a new, powerful Russian state and other major economic and political partners.

[Correspondent] Hasn't a preliminary agreement been reached between the leaders of Japan and Russia concerning an official visit to Tokyo by Boris Nikolayevich in October?

[Kozyrev] Let's see how the elections turn out in Japan. They will, in fact, be taking place in literally 10 days' time. A new tone has already been set during this trip to Tokyo—although it is not a visit to Japan. A certain, new tone has been created; a new tone has been set in Russo-Japanese relations. It is not a hysterical tone like: Hand over the islands, and so on. Two respectful partners have demonstrated, I would say, big-picture politics at this meeting.

Clinton Calls For Normalizing Russian-Japanese Relations

LD0907170993 Moscow ITAR-TASS in English 1612 GMT 9 Jul 93

[By ITAR-TASS special correspondent]

[Text] Tokyo July 9 TASS—U.S. President Bill Clinton called for normalising relations between Russia and Japan. A U.S. Administration official told journalists that the U.S. President touched on this involved problem during the meeting between the leaders of seven major industrialised countries and Russian President Boris Yeltsin in Tokyo today.

Addressing all participants in the meeting, Clinton noted that Russia should seek to build its foreign policy on the principles of international law and justice, which should imply overcoming the negative legacy of the past.

Full normalisation of relations between Russia and Japan could become an important step in this direction, Clinton said.

Yeltsin 'Ashamed' of Supreme Soviet Statement on Sevastopol

LD1007102993 Moscow Mayak Radio Network in Russian 1000 GMT 10 Jul 93

[Text] The president of Russia, who has arrived in Irkutsk for a two-day meeting with Germany's chancellor, has called his visit to Tokyo successful. Answering questions from journalists at the airport, he touched in particular on yesterday's decision by the Supreme Soviet on the Sevastopol issue. I am ashamed of this decision, the president said. The problems of the Black Sea Fleet and the town where it is based must be resolved gradually and calmly.

At the same time, in a telephone interview with an RIA correspondent, Ukrainian Ambassador to Russia Vladimir Kryzhanovskiy compared the adoption by the Supreme Soviet of the resolution confirming the Russian federal status of Sevastopol with the shot fired in Sarajevo by Gavriil Princip. Evidently, the ambassador said, a decision of this kind could only be adopted by yesterday's politicians.

Calls Resolution 'Irresponsible'

LD1007161193 Moscow Radio Moscow World Service in English 1500 GMT 10 Jul 93

[Text] Boris Yeltsin censured the Russian parliament's decision to keep regarding Sevastopol as a Russian city. He dubbed the decision as the best way to unleash a war with Ukraine, and irresponsible. He called for more caution in relations with Ukraine and a negotiated solution to the outstanding differences.

Foreign Ministry Disclaims Resolution

LD1107135993 Moscow ITAR-TASS World Service in Russian 1255 GMT 11 Jul 93

[Text] Moscow, 11 Jul (ITAR-TASS)—The Russian Supreme Soviet's resolution on the status of Sevastopol, which was adopted on 9 July, "diverges from the line of the president and the government of the Russian Federation on realizing Russian interests regarding the Black Sea Fleet, basing the Russian Federation Navy in Ukrainian territory, in Crimea, and in Sevastopol." This was declared in a Russian Foreign Ministry statement issued today.

The statement underlines that this action by the Russian Supreme Soviet "by no means points out a prospect of real solutions," and that "any problems, even the most difficult ones, can be settled only within the framework of a political dialogue," "strictly observing treaties and agreements with the Ukrainian side, and the principles of the CSCE and the UN."

Other Groups Echo Sevastopol Resolution

MK0907100093 Moscow NEZAVISIMAYA GAZETA in Russian 9 Jul 93 p 1

["N.U."-signed report: "We Will Not Surrender Sevastopol!"]

[Text] The executive committee of the Congress of Russian Communities has come forward with an appeal to the Supreme Soviet and the government of the Russian Federation demanding "to solve without delay the question of confirming Russian status for Sevastopol and on restoration of direct political, economic, and cultural links with Russia." This demand is based, among other things, on the fact that, in accordance with the results of a poll among the Crimean population, nearly 80 percent of Sevastopol residents regard themselves as Russian citizens. As of 8 July, having added their voice to the appeal were the Russian Theater Workers Union, International Association of Writers Unions, Russian Composers Union, Russian Architects Union, Russian Academy of Sciences, Federation of Independent Trade Unions of Russia, and the Russian Artists Union, among other unions and organizations.

Foreign Ministry Faults Ukrainian Decision on Nuclear Arms

LD0907153893 Moscow ITAR-TASS in English 1409 GMT 9 Jul 93

[By ITAR-TASS correspondent Sergey Staroselsky and Leonid Timofeyev]

[Text] Moscow July 9 TASS—"Ukraine, in fact, is declaring itself the owner of nuclear weapons which exist on its territory," Sergey Yastrzhembsky, head of the Russian Foreign Ministry press and information department, said at a briefing here today in connection with a document "on main directions of the Ukrainian foreign policy," adopted by the Ukrainian parliament a few days ago.

"A question arises how does the move comply with Ukraine's international commitments as regards its nuclear-free status. Russia, as the only legal successor to the former Soviet Union in matters concerning the possession of nuclear weapons and as a depositary of the Nuclear Non-Proliferation Treaty, will continue to strictly adhere to provisions of this treaty and the Lisbon Protocol. Russia cannot recognize legitimate any claims or actions which run contrary to international commitments on the preservation and strengthening of the regime of the non-proliferation of nuclear weapons," Yastrzhembsky said.

Grachev: Move Imperils START Treaties

LD0907162093 Moscow ITAR-TASS in English 1558 GMT 9 Jul 93

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Moscow July 9 TASS—Russia has taken over the control of the former Soviet nuclear strategic forces, but its concern over the nuclear weapons deployed in Ukraine and Kazakhstan becomes ever more grounded, according to Russian defence minister who met US Ambassador in Moscow Thomas Pickering on Friday.

Grachev said that the "nuclear button" is now in the hands of the Russian president and the leadership of the Defence Ministry, however the Ukrainian decision to own the nuclear weapons deployed on its territory doubts the possibility of implementing the START-1 and 2 treaties and endangers the Nuclear Non-Proliferation Treaty.

Ukraine lacks the necessary facilities to maintain the weapons in proper order which "greatly increases the risk of dangerous situations which can result in serious ecological consequences", according to Grachev.

Pickering said that his country is not interested in the proliferation of nuclear weapons and shares Russian concern over the safety of nuclear weapons in Ukraine. The United States will attentively follow all actions of Kiev in the sphere.

Grachev reiterated Russian desire to solve the issue of flank limitations in connection with the Treaty on Conventional Armed Forces in Europe. He said this is caused by changes in the geopolitical situation on the continent triggered by the collapse of the USSR.

Grachev also called on the United States to help make Latvia and Estonia ensure human rights of the Russian-speaking minority.

Credibility of Ukrainian Stance Questioned

PM0907134793 Moscow IZVESTIYA in Russian 9 Jul 93 First Edition p 3

[Aleksandr Sychev article: "Ukraine Reconsiders Its Promise.... The West's Viewpoint"]

[Text] Kiev presents its decision as a simple juridical legalization of ownership, comparable in significance with a notarial legalization of the purchase of a house or a private car. Particularly as, according to Kravchuk, it is not a question of Ukraine's abandoning its pledge to rid itself of nuclear weapons in the long term and to become a nonnuclear state.

In the opinion of Ukrainian politicians, this way of formulating the question makes it possible to resolve several problems: to keep nuclear weapons for quite a long time and to use them as a guarantor of security, to remain the center of constant attention from the world community, and to use the deadly property as small change for Western aid.

Incidentally, the latter assumption is certainly not without foundation. President Kravchuk has sent to the Tokyo meeting of the leaders of seven leading Western countries a letter stating that ratification of the START

I Treaty and the Nuclear Nonproliferation Treaty will be accelerated if the developed countries help Ukraine on a more substantial scale in its expenditure connected with nuclear weapons. Ownership enables it to count on this.

These calculations would be perfectly understandable and explicable if everything were confined to them alone. Unfortunately, the line between the juridical and the political aspects of this issue is so fine that it is easy to cross it—which is undoubtedly what has happened with Kiev. By postponing ratification of the Lisbon protocols and insisting on the right of ownership, Ukraine is undermining international law, whose effectiveness is based on each participant's strict fulfillment of its adopted pledges. By violating this principle, the leaders of Ukraine have no right to count on the world community's confidence in their assurances of loyalty to the aim of becoming a nonnuclear state.

On the other hand, the nuclear powers cannot agree with Ukraine's "juridical" claims, because otherwise they will lose the moral right to insist on the consent of the "near-nuclear states" to extending the Nuclear Nonproliferation Treaty, whose fate will be decided at a conference in 1995.

In addition, the Russian-U.S. START II Treaty is ending up on the brink of being wrecked. It defines the specific levels of reductions, which include for Russia the nuclear components held by Ukraine. In order to fulfill its pledges, Moscow will have to destroy a larger quantity of weapons sited on its own territory—more modern weapons, moreover—than the arsenal over which litigation has arisen.

Yeltsin, Kohl Conclude Talks in Irkutsk, Comment

LD1107081193 Moscow ITAR-TASS World Service in Russian 0700 GMT 11 Jul 93

[By ITAR-TASS correspondent Vladimir Khodiy]

[Text] Irkutsk, 11 Jul—Russian President Boris Yeltsin and German Chancellor Helmut Kohl today concluded their meeting on Baykal and left Irkutsk.

Speaking at the airport before their departure, the leaders of the two countries noted that they "are resting and working on Siberian soil as friends." "We had a nice time together," Helmut Kohl said. "We had unofficial conversations," Boris Yeltsin noted.

The Russian president declared: "It turned out that we have complete coincidence of views on the withdrawal of the Russian Army from Germany. This process is under way and will be completed in accordance with the schedule elaborated earlier."

During the meeting, they also touched upon the withdrawal of Russian troops from Baltic countries, closely linking it with the problems of discrimination against the Russian-speaking population. "We hope the federal chancellor will use his influence to settle the situation which has arisen and that the withdrawal of our units from the Baltic countries will go according to schedule, as is happening in Germany," the Russian president noted.

German Aid for Troop Withdrawal Discussed

LD1007155693 Moscow Radio Moscow World Service in English 1500 GMT 10 Jul 93

[Excerpt] [passage omitted] At the airport President Yeltsin told newsmen Russia needed German aid for the reception and accommodation of the troops it is withdrawing from Germany. Earlier Germany agreed to finance the construction of some 36,000 apartments for the Russian servicemen, but, said President Yeltsin, it must speed up the realization of the program. [passage omitted]

Kohl To Support Russian Trade Integration

LD1107094493 Hamburg DPA in German 0641 GMT 11 Jul 93

[Excerpts] Irkutsk (DPA)—Germany intends to support Russia's integration into world trade. Chancellor Helmut Kohl (Christian Democratic Union) promised this to Russian President Boris Yeltsin during a two-day working visit to Lake Baykal in Siberia. In particular, Bonn intends to promote the conclusion of a treaty on partnership and cooperation between Moscow and the EC, Kohl told journalists today at Irkutsk airport. Kohl renewed his promise to Yeltsin of full support for the reforms in Russia. [passage omitted]

At the airport, Yeltsin and his wife Naina warmly bade farewell to the chancellor, who flew on to Ramstein in the Eifel region. The meeting took place at Yeltsin's instigation.

Kohl and Yeltsin stopped over in Siberia on their way back from the world economic summit in Tokyo.

Chernomyrdin Previews Trip to Germany

LD1007124293 Berlin ADN in German 0913 GMT 10 Jul 93

[Text] Hamburg (ADN)—Russian Prime Minister Viktor Chernomyrdin, who arrives in Bonn on 14 July on a three-day visit, considers "good relations with Germans to be the most important aspect of the European policy" of his country. In an interview with WELT AM SONNTAG, Chernomyrdin said it is pleasing that relations are "free from great fundamental problems." The Russian prime minister feels that above all a rapid improvement of economic relations is an "imperative."

"We do not want to ask for money in Bonn. We are in a position to earn it ourselves. What we need is an opportunity to do this", the Russian prime minister said. Russia's integration into the world economy with equal rights and without obstacles is essential. Germany could help here, he said. Chernomyrdin hopes that all existing restrictions on trade with the West will be lifted. The development of relations between Russia and the European Community has to be settled in an agreement soon so his country can be a normal member of the international community able to pay its way.

Chernomyrdin intends to try to win support for favorable terms for foreign investment in Russia. This applies to "German investment in particular. I appeal to German companies to overcome their hesitancy and caution in opening up the market in Russia," the prime minister said.

Asked about the withdrawal of Russian troops from Germany, Chernomyrdin said that remaining problems will be resolved soon. The building of housing for the Russians of the former Soviet Army being withdrawn from Germany is impressive. Chernomyrdin acknowledged in particular the work done by Germans in building 29 settlements with 33,900 apartments in Russia for which the Federal Government has provided 8.35 billion German marks. Another 21,500 apartments are being financed from the budget of the Russian Federation, Chernomyrdin said.

Foreign Ministry Would Welcome UN Observers in Abkhazia

LD0907144893 Moscow ITAR-TASS in English 1319 GMT 9 Jul 93

[By ITAR-TASS correspondents Sergey Staroselsky and Leonid Timofeyev]

[Text] Moscow July 9 TASS—The U.N. Security Council is to vote today on a draft resolution on sending U.N. military observers to the zone of the Georgian-Abkhazian conflict.

In this connection, Sergey Yastrzhembsky, head of the Russian Foreign Ministry press and information department, said at a briefing today that if the resolution is adopted and all conditions envisaged by the resolution are observed, the group of U.N. observers will number approximately 50.

"Russia welcomes the idea of sending a group of U.N. observers to the zone of conflict. We consider this idea as resultful and meeting our aspirations in this area," the Russian diplomat said. He pointed out that in accordance with the draft resolution U.N. observers will arrive only if a real and effective ceasefire is achieved in the zone of the conflict.

"This statute fully conforms to Russian proposals and plans for the settlement of the conflict," Yastrzhembsky pointed out.

Georgia Sees Progress at Moscow Talks on Abkhaz Conflict

MK1007114093 Moscow KOMMERSANT-DAILY in Russian 10 Jul 93 p 5

[Dmitriy Kamyshev report in "Russian-Georgian-Abkhaz Talks" column: "Sides Are Looking for Compromise Solutions"]

[Text] An agreement on a cease-fire in the armed conflict zone in Abkhazia could be signed in the near future if the sides involved manage to find mutually acceptable formulations on some disputed questions. This was announced yesterday at a press conference in Moscow by Sandro Kavsadze, a special envoy of the Georgian head of state and head of the Georgian delegation to the talks.

Opening the press conference, Sandro Kavsadze stressed that the current situation in Sukhumi and the growing number of victims among civilians demand that a cease-fire agreement be reached as soon as possible. Kavsadze noted that this is the first necessary step without which no further talks on a full-scale settlement of the conflict would be possible. "It is immoral to talk about peace and to continue to kill peaceful civilians," he stated. The Georgian side's initiative on the withdrawal of all armed formations from Abkhazia and the creation of a demilitarized zone there is designed to ensure an early cease-fire. According to the head of the Georgian delegation, however, representatives of the Gudauta administration still insist on a full pullout of the Georgian armed forces while keeping their own forces there. This condition is obviously unacceptable to Georgia since it does not provide guarantees for the civilian population, the majority of which is constituted by Georgians. By way of a compromise the Georgian delegation proposed a balanced approach whereby limited military contingents of both sides would remain in the zone of conflict under the oversight of observers from the United Nations and other international organizations. At present, according to the head of the Georgian delegation, the search for mutually acceptable formulations on this point of the agreement continues.

The participants in the press conference also raised the question of Russia's involvement in the Abkhaz conflict. Thus, Valerian Advadze, Georgian ambassador to Moscow, stated that he is sure that the Gudauta administration is receiving assistance from certain circles in Russia since without this aid the Gudauta leadership could not have continued a protracted war. At the same time, as Sandro Kavsadze pointed out, the latest steps by the Russian leadership and an active intermediary role by Russian diplomats at the present talks suggest that the Russian authorities are giving a sober assessment of the situation and are playing a positive role in settling the conflict. The Georgian leader's special envoy particularly noted the great importance of the latest measures by the Russian Government to close off the border in the Caucasus and prevent infiltration into the conflict zone of weapons and military hardware.

Says Abkhazia Disrupting Cease-Fire Talks

LD1207113393 Moscow ITAR-TASS in English 1118 GMT 12 Jul 93

[By ITAR-TASS correspondent Igor Gvritishviliy]

[Text] Moscow July 12 TASS—"The Gudauta side is deliberately disrupting negotiations on ceasefire in Abkhazia by rejecting under various pretexts, including invented ones, any initiatives of the Georgian leadership aimed at establishing peace in the region," Eduard Shevardnadze's personal envoy and leader of the Georgian delegation to the talks Sandro Kavsadze told ITAR-TASS.

Commenting on the statement circulated by the Gudauta delegation on Sunday [11 July] and alleging that the Georgian representatives have come up with conditions for the settlement which could not be accepted, Kavsadze stressed that the delegation he is leading proposes a ceasefire agreement with no preconditions. It also proposes working out an effective mechanism of control over these agreements to be followed by the dissociation and reduction of troops and armaments in the conflict zone under the supervision of international observers.

He said that if the Gudauta side persisted in its destructive approach, the Georgian side would have to give up all its concessions and insist on the fulfillment of the accords on Abkhazia reached on September 3, 1992 and signed by Russian President Boris Yeltsin, the Georgian leader Eduard Shevardnadze and Abkhazian leader Vladislav Ardzinba.

Abkhazians Reject Georgian Settlement Plan

LD1207034493 Moscow Radio Rossii Network in Russian 0300 GMT 12 Jul 93

[Text] The Abkhaz delegation at the trilateral talks in Moscow has rejected as unacceptable the latest Georgian conflict settlement plan. Abkhaz representative (Andrey Dzhorgeniya) told an RIA correspondent that the Georgian plan aimed to divide Abkhazia in half. Dzhorgeniya emphasized that it is necessary to sign an intermediary agreement which could become the basis for a full-scale settlement. The key element of all the Abkhaz proposals is the withdrawal of Georgian troops from that Black Sea republic.

Foreign Ministry Protests PRC Actions Against Shipping

LD0907144393 Moscow ITAR-TASS in English 1724 GMT 9 Jul 93

[By ITAR-TASS correspondents Sergey Staroselsky and Leonid Timofeyev]

[Text] Moscow July 9 TASS—The Russian Foreign Ministry has made a resolute protest to China over illegal actions taken against the "Valery Volkov" ship belonging to the Russian Far Eastern Shipping Company and demanded that these actions be immediately ceased.

"We insist on carrying out an investigation into the incident and reserve the right to take necessary measures to ensure safe navigation of Russian ships," Sergey Yastrzhembsky, Foreign Ministry spokesman, told a briefing held here today.

He pointed out that special concern was caused by the fact that the Chinese side had used weapons when detaining the Russian ship. This put the lives of Russian sailors in jeopardy and cannot be considered as a means of resolving problems emerging between the two friendly states.

Chinese explanations that the attack was committed (beyond Chinese territorial waters) as a measure against smugglers "are not acceptable to us," the spokesman said.

In order to ensure the safety of navigation at seas washing China "we reiterate our proposal to the Chinese side to hold bilateral consultations on issues of navigation in this area", he added.

High-Ranking PRC Aide Ends 'Successful' Moscow Talks

PM1207083993 Moscow KRASNAYA ZVEZDA in Russian 7 Jul 93 p 3

[ITAR-TASS report: "Talks Were Successful"]

[Text] At the end of talks in Moscow Liu Huaqing, deputy chairman of the Chinese Central Military Council, who is also a member of the highest echelon of the Communist Party of China leadership—the Communist Party of China Central Committee Standing Committee—returned to Beijing.

It has been learned from Russian Federation embassy sources that Colonel General Liu Huaqing was in Moscow on an official friendly visit, was received by Viktor Chernomyrdin, head of the Russian Federation Government, and held talks with Aleksandr Shokhin, his deputy. The sources note that the talks resulted in agreements making it possible to expand Russian-Chinese cooperation in the spheres of industry, science, technology, and defense industry conversion.

During Col. Gen. Liu Huaqing's visit to Moscow he had a series of meetings with Russian Federation Defense Ministry leaders. Questions of further expanding friendly ties between the two states' armies were discussed. The Chinese delegation visited military units and higher military training establishments.

The deputy chairman of the PRC Central Military Council also visited St. Petersburg, Volgograd, Irkutsk, and Vladivostok, where he visited industrial enterprises and design institutes associated with defense sectors of industry; he also visited ships of the Russian Federation Pacific Fleet.

Foreign Ministry Official on PRC Ties

OW1007015993 Moscow Ostankino Television First Channel and Orbita Networks in Russian 1845 GMT 8 Jul 93

[Studio interview with Mikhail Mikhaylovich Belyy, chief of the Ministry of Foreign Affairs First Asian and Pacific Region Administration, by Mikhail Solntsev; from the "Utro" program—live or recorded]

[Text] [Solntsev] One of the topics that we wish to dwell on today is Russian-Chinese relations. In my view, the Russian Federation's attitude toward our great neighbor has been somewhat overshadowed recently by a certain bias toward our Western partners. To determine whether or not this was so we decided to talk to a person who has a direct bearing on the drafting of certain trends in our policy on China. And so the guest of our program is Mikhail Mikhaylovich Belyy, chief of the Russian Federation Ministry of Foreign Affairs First Asian and Pacific Region Administration. Good morning, Mikhail Mikhaylovich.

[Belyy] Good morning.

[Solntsev] Do you agree that public interest in China has been somewhat sidelined?

[Belyy] I cannot agree that interest in China has been overshadowed. I think that possibly Russian-Chinese relations are not as eye-catching or vivid from the outside, but their development is very successful and dynamic. Presently, the agreements reached during the summit held last December in Beijing are being realized. As you know 24 agreements were signed at the time. This was a record number.

Economic ties are developing dynamically and the volume of trade has reached nearly $6 billion. In other words, it has surpassed the general trade turnover level which existed between China and the USSR in the best years, and 80 percent of this is through direct ties, which means through direct border trade. This means that the state's role in our foreign trade is being decreased, which is a very positive thing.

[Solntsev] There is a point of view that the ties which have formed in the military equipment sphere are significantly upsetting the balance of forces that have taken shape in the Far East and that Russia's sale of modern aircraft to China in particular has supposedly complicated the situation in the Taiwan Strait. What can you say about this?

[Belyy] Russia's military equipment ties with China, like those with any other country, are quite normal. I would say that in questions of developing relations and ties in this sphere we are guided by—if we use the terminology of the East—the three no's. The first is do not harm your own security. The second is to adhere to all international obligations that we have adopted in the area of arms trade, and particularly in limiting the proliferation of missile technology. And the third is that we naturally strive not to upset the military and political balance in the region.

As far as our sale of Su-27 aircraft to China is concerned, I cannot believe that this can upset the military balance in the Taiwan Strait or that this can be a threat to Taiwan, because I consider that the question of guaranteeing Taiwan's security is first and foremost a political question and not a military one.

[Solntsev] As a matter of fact, a delegation of Taiwanese parliamentarians visited here not so long ago. This apparently gave our Chinese partners cause to think that a certain drift from continental China, the PRC, toward Taiwan is taking place.

[Belyy] As far as the Taiwan issue is concerned, I must say that there has been no change in our position. We view Taiwan as an integral part of China and this has been set down in a presidential edict signed in September last year. As far as the parliamentarians are concerned, their visit was strictly private and there was no official invitation.

The fact of the matter is that there are certain rules of the game in conducting affairs with Taiwan, which most countries of the world stick to. We would like to develop relations with Taiwan in the economic, cultural, and other spheres along strictly unofficial lines. And so we are striving to see that Russian organizations, departments, and the Russian side in general, learn to play in accordance with these rules so that the mutual understanding which exists with the PRC on the Taiwan issue is not violated.

[Solntsev] Now talking about violating or not violating mutual understandings, there have been many reports in the press, with the most recent report appearing yesterday, that another one of our ships has been detained in PRC territorial waters, or maybe in international waters. What is happening to our ships there?

[Belyy] Unfortunately, this is a most acute problem at the present time and we are dealing with it on a priority basis. It is true that in the past few months the Chinese have detained Russian ships near China. We are approaching this very seriously. Particular concern and alarm is raised by the fact that the Chinese side more often than not has resorted to arms. We have raised in very strong terms [v vesma zhestkoy forme] the question of prohibiting such incidents both through our embassy in Beijing and at the Chinese embassy here. We told the Chinese directly that we will have to arm our ships and our seamen....

[Solntsev, interrupting] But they are civilian ships, not military ones?

[Belyy] Naturally, and that is why we are seeking political ways of solving the problem. We have proposed holding urgent consultations with the Chinese side on ensuring the safety of navigation.

[Solntsev] Are there any hopes that the detentions will stop?

[Belyy] I think that this problem will be solved.

[Solntsev] And another question that concerns the public. The newspaper MOSKOVSKIY KOMSOMOLETS, in particular, as well as other city papers, have carried articles on the rampant crimes committed by Chinese here in Moscow and about the formation of entire enclaves of Chinese citizens—almost like Chinatowns—who literally shuttle back and forth. Does this alarm the diplomats or not?

[Belyy] Of course this is another problem that concerns us in connection with the fact that very often there are unpleasant incidents among the Chinese who are in Russia. I do not want to say that I support any kind of xenophobia in relation to the Chinese, but their arrival here in large number is a question that needs looking at. I would even say that it needs a comprehensive review. And this does not concern only Chinese, but the arrival of foreigners into our country in general.

The fact is that large numbers of companies, joint companies with the Chinese, have sprung up which often have very little authorized capital. They invite large numbers of Chinese workers to Russia. All of these issues require investigation by corresponding departments. As far as the Ministry of Foreign Affairs is concerned, we are working to see that this does not become a problem in our bilateral relations.

[Solntsev] Well, I would like to thank you Mikhail Mikhaylovich for your diplomatically frank answers to the "Utro" program's questions. I hope that everything will return to normal, that our ships will return to their ports of registry, and that everything will be well in our relations with our great neighbor.

[Belyy] Thank you.

[Solntsev] Thank you.

Indian Space Chief Remarks on Rocket Engine Deal

BK1107161293 Delhi All India Radio Network in English 1530 GMT 11 Jul 93

[Text] ISRO [Indian Space Research Organization] Chief Professor U.R. Rao says there is no reason to doubt that Russia will back out of its commitment on the cryogenic rocket deal. He said in Moscow today that during his week-long talks with top Russian officials, we were given to understand that the contract will be fulfilled. Talking to reporters, Prof. Rao said there is no reason to doubt this and added Russia has never gone back on its word. He brushed aside suggestions that Russia wanted to modify the contract.

Asked why the United States is objecting to the deal, Prof. Rao said partly maybe because of commercial consideration or maybe because of misunderstanding. India, he said, is ready to lay at rest any apprehension about the deal and observed ours is an open space program. The contract with Russia envisages supply of two cryogenic rockets in 1995 with option for more and the transfer of technology. The ISRO chief pointed out that the technology is needed for India's geostationary launch vehicle which will place in orbit INSAT-type satellites weighing more than 2 tons. India has already developed a cryogenic engine to launch payloads up to 1 ton. A bigger capacity engine can also be developed indigenously, but only to speed up the process New Delhi sought the technology from abroad.

Indian Delegation in Vladivostok Views Arms Sales

LD1107092993 Moscow Mayak Radio Network in Russian 2100 GMT 10 Jul 93

[Text] A delegation of the India-CIS Chamber of Trade and Commerce, which has arrived in Vladivostok, is studying the possibility of direct deliveries of military equipment to India as well as repairs of military ships and the Varshavyanka class nuclear submarines previously purchased.

During a meeting with Yevgeniy Leonov, first deputy head of the Maritime Kray administration, who for many years headed a large defense plant, the representatives of the chamber specially pointed out the importance of contacts in this direction with the major defense industry plants in Russia's Far East. Besides this, the businessmen from India offered technical staff and aid to create in the Far East large industrial complexes of the type now functioning in India. (Singh Jay), the chamber's general secretary and head of delegation, told an ITAR-TASS correspondent that "we intend to fill the Maritime Kray market with Indian consumer goods and to place as many orders as possible with the enterprises in the kray."

Serbia's Draskovic Thanks Yeltsin for Support

LD1107110193 Moscow Russian Television Network in Russian 1000 GMT 11 Jul 93

[From the "Vesti" newscast]

[Text] In an interview with RIA, Vuk Draskovic, the leader of the Serbian Renewal movement, who has been released from prison, expressed gratitude to the great, fraternal Russian people and to President Yeltsin for supporting millions of Serbians and the new democratic Serbia. Vuk Draskovic intends to ask Yeltsin to help in lifting the embargo, at least on medical supplies for Serbia and Montenegro.

Foreign Ministry Defends Arms Sales to Iran

LD0907142293 Moscow ITAR-TASS in English 1326 GMT 9 Jul 93

[By ITAR-TASS diplomatic correspondent Sergey Staroselsky and Leonid Timofeyev]

[Text] Moscow 9 July TASS—Russia strictly abides by rules adopted in international arms trade, Russian Foreign Ministry spokesman Sergey Yastrzhembsky told a briefing here on Friday.

He commented on an interview by Israeli Deputy Foreign Minister Yosi Beilin to the Moscow-based IZVESTIYA newspaper where the Israeli diplomat called the supplies of Russian weapons to Iran "a mistake".

The spokesman stressed that weapons supplied to Iran under the present understanding between Moscow and Tehran cannot be used to the detriment of third nations or security in the region.

According to Yastrzhembsky, Russia "intends, in future too, to build its relations with Iran in the way of encouraging pragmatic principles in actions and policy of the Iranian leadership and promoting peace and stability in this 'sensitive' zone".

The spokesman stressed at the same time that Russia has much more grounds to describe in similar terms press reports about Israel's intention to open a fair of its weapons in Estonia, with which Russia has many important unsettled problems.

Uranium Reportedly Exported From Khabarovsk to DPRK

LD1007214393 Moscow Ostankino Television First Channel Network in Russian 2000 GMT 10 Jul 93

[From the Novosti" newscast]

[Text] Western newspapers are once again taking an interest in North Korean workers who for decades were involved in timber cutting in Siberia, in Khabarovsk Kray, in accordance with an intergovernment agreement between Moscow and Pyongyang.

You are now watching unique footage filmed in their camp by Western journalists. They have now become interested in the claims made by some workers who escaped from the camp, who claim that it was not only timber that was exported from Russia to North Korea, but also, secretly, rock rich in uranium.

Journalists who have visited the area say that Khabarovsk ecologists recollect that high-background radiation was recorded in one area. Later, two mothballed uranium ore pits were discovered there. Local residents say that they have often seen North Korean lumberjacks near the pits.

Supreme Soviet

Supreme Soviet Discusses Status of Sevastopol

LD0907151493 Moscow ITAR-TASS World Service in Russian 1338 GMT 9 Jul 93

[By ITAR-TASS parliamentary correspondent Vadim Byrkin]

[Text] Moscow, 9 July—The Russian parliament, in the second half of today, turned to the question of the status of Sevastopol. Black Sea seamen, veterans of the fleet, and representatives of various public movements and organizations of the Crimea and Sevastopol are present at the session. A picket demanding that "Sevastopol's status as a Russian city be preserved" was formed outside the House of Soviets of the Russian Federation.

Yevgeniy Pudovkin, chairman of a special deputies' commission, delivered a report at the session stating that the main conclusion reached by the commission following a study of experts' appraisals was as follows: Russia has never lost and has never handed over to anyone its sovereignty over the city of Sevastopol.

According to the chairman of the deputies' commission, it is not a question of territorial claims on Ukraine, but of rights to territory that was situated within Russia's administrative- territorial boundaries during the period of the USSR's existence. The Russian status of Sevastopol is endorsed by the fact that in 1954 only a part of Crimean oblast was handed over to Ukraine, and Sevastopol was not included in it.

Debates Sevastopol Issue

LD1007052293

[Editorial Report] Moscow Russian Television Network in Russian at 1932 GMT on 9 July carries the recorded "At the Russian Federation Supreme Soviet Session" program. Reception is good.

The program begins with deputies taking their seats. A correspondent notes that a joint session of the chambers began as usual with additions to the agenda. Yesterday's debate on copyrights is then continued, after which Central Bank Chairman Viktor Gerashchenko briefly speaks.

Supreme Soviet Chairman Ruslan Khasbulatov then introduces a question of the status of Sevastopol and the fate of the Black Sea Fleet. A speaker described only as Yevgeniy Konstantinovich speaks for 10 minutes on the documents on the issue which the deputies have before them. He points out that "numerous experts" agree that Sevastopol is Russian. The same experts, he says agree also on the constitutional, international law, and historical aspects of the question. Russia has never relinquished its sovereignty over the city; what is at issue is not a territorial claim against Ukraine but rights to territory that is part of Russia, he says.

As for the financing of Sevastopol, 85 percent of it has been contributed by Russia, he says, adding historical background to support this argument. The speaker points out that polls show that 92 percent of Russians say Sevastopol is Russian. It has been suggested that opinion in the Crimea is divided, but 70 percent of the members of the Crimean Supreme Soviet say they consider it to be Russian, he says.

The speaker goes on to note that "forced Ukrainization" has led to a dire situation for "our population in Sevastopol," he says, and it would be wrong to compromise. His commission proposes that the city's Russian status be confirmed; that the Russian Central Bank finance Sevastopol's budget; and that an amendment on the federal status of Sevastopol be inserted into the Russian Federation's Constitution. Ukraine has acted unilaterally, he says, and will lose if it the issue becomes an international legal dispute.

At 1943 an unidentified deputy speaks. Khasbulatov then points out that it is the government that must act on Sevastopol. An unidentified deputy in military uniform then speaks of the fleet's needs and says the moratorium on the referendum on the status of the Crimea, which belongs to Russia, should be lifted.

Deputy Astafyev then speaks in support of working group's draft. Khasbulatov says he has always opposed splitting the fleet and notes that it is no good passing airy resolutions which idealize the situation. He puts forward a list of names for a commission, but Deputy Baburin opposes setting up a commission. He says the status of the Crimea should be settled by negotiation with Ukraine.

The deputies vote to accept the draft as a basis, with much applause. Discussions then turn to the financing of the fleet. The speaker identified as Yevgeniy Konstantinovich speaks again, explaining details of draft. The fleet is on a "starvation diet," he says, because joint financing is being blocked by Ukraine. He proposes direct financing by the Central Bank and says pay should be in rubles and indexed. Russia, he says, should finance all the personnel who have not taken the Ukrainian oath; they make up over 90 percent of the total.

Khasbulatov then suggests a more logical arrangement of the draft, which the deputies vote to accept. He reads out a proposed Supreme Soviet message to the fleet saying it will be taken care of. Deputy Belashev urges a small change of wording, which is approved.

An unidentified deputy then speaks about crime, followed by a discussion of pensions, social insurance, and related issues.

At 2104 the deputies vote that the session be broadcast in full. Khasbulatov reads out the motions on Sevastopol, which are passed with a St. Andrew's flag being waved in the public gallery.

A white-haired veteran, Georgiy Mikhaylovich Yegorov, "representative of Sevastopol and the Black Sea Fleet, hero of the Soviet Union," then expresses his gratitude for the vote. Supporters in the public gallery hold up St. Andrew's flags and a banner proclaiming "Sevastopol is a city of Russian glory!"

The deputies then file out.

Claims Russian 'Status'

LD0907153093 Moscow ITAR-TASS in English 1406 GMT 9 Jul 93

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow July 9 TASS—The Russian parliament adopted a resolution on Friday saying that the Black Sea Fleet base of Sevastopol has "the Russian Federal status" as it used to have in December 1991, before the collapse of the Soviet Union.

Thus the parliament made it clear it would not ratify the Yeltsin-Kravchuk agreement.

In an address to to the personnel of the Black Sea Fleet legislators said they "support and share the principled position of those public and political forces of Russia, Ukraine and other CIS countries, of most citizens and the military who stand for the preservation of the Black Sea Fleet as a single, united and glorious navy which is an offspring and the pride of generations of our peoples".

The parliament assured the navymen that it would not allow to "ruin the fleet".

It also added that it is ready to consider the problem with the Ukrainian parliament in a "calm, balanced and responsible" way and with regard to the past and future.

The parliament pleased the navymen by ordering a direct financing of the fleet through the Central Bank of Russia. The government was instructed to delete the money from the defence budget.

The Finance Ministry and the Central Bank were instructed to hold talks with Ukraine and to ease the payment procedure to the navymen.

The parliament then switched to another topic regarding the fleet—the status of its naval base of Sevastopol.

Chairman of an ad hoc commission on the issue Yevgeniy Pudovkin told legislators that Russia had never lost and had not transferred its sovereignty over Sevastopol to anyone.

He said this is not a territorial claim to Ukarine as Sevastopol was not included in the Crimean territory transferred to it by former Soviet Communist leader Nikita Khruschev in 1954.

The parliament also ruled to amend the constitution and fix the federal status of Sevastopol in it.

It asked the Government of Ukraine to withdraw its special crack force deployed in Sevastopol and instructed the Russian Government to hold talks with Ukraine on Sevastopol as "a major naval base of united Black Sea Fleet".

Sevastopol Demonstrators React

LD0907210093 Moscow ITAR-TASS World Service in Russian 1752 GMT 9 Jul 93

[By ITAR-TASS correspondent Roman Zadunayskiy]

[Text] Moscow, 9 Jul (ITAR-TASS)—The situation in the Black Sea fleet has remained calm throughout the day, ITAR-TASS has been told by the fleet Headquarters.

At the same time, the Russian Federation parliament's resolution confirming Sevastopol's federal status in Russia and its other decisions on the Black Sea fleet have led to rejoicing in the city, where townspeople and civic and political organizations are holding spontaneous rallies in support of them.

Tomorrow, they intend to stage a demonstration outside the Sevastopol administration building to demand the removal of the Ukrainian flag.

Statement on Cancellation of Government Report

LD0907154293 Moscow ITAR-TASS in English 1434 GMT 9 Jul 93

[By ITAR-TASS correspondent Igor Galkin]

[Text] Moscow July 9 TASS—The Russian Federation Supreme Soviet has issued a statement, expressing regret over the cancellation of a report on the pace of economic reforms and plans of the government's activities by the Presidium of the council of ministers which was beforehand agreed to.

The Supreme Soviet considers that by not presenting the report on the government's activities it has been prevented from calling a regular Congress of People's Deputies which was scheduled to be held in June 1993, and has disrupted dates of discussions and adoption of the budget.

"Specific political forces in the government and around it have been striving to explode the atmosphere of harmony that was observed in the work of the planned 'roundtable' which was jointly created by the government, Supreme Soviet, political movements and parties," the statement said.

The gravest state of affairs in the economic and social sphere and the deepening crisis in all spheres of social life leaves no alternatives to cooperation and joint coordinated actions, the Supreme Soviet stated, and expressed readiness to consider and agree in working order to new dates for the report on social and economic situation in the republic and plans of the government's activities.

Deputies Express 'Bewilderment'

PM0907144993 Moscow ROSSIYSKAYA GAZETA in Russian 9 Jul 93 First Edition pp 1,2

[Report from Supreme Soviet sixth session by Aleksey Vorobyev under the general heading: "Government Takes Time-Out"]

[Excerpts] The Supreme Soviet morning sitting on Thursday [8 July] began with a number of deputies expressing their bewilderment over Council of Ministers chairman Viktor Chernomyrdin's refusal to present a report on the course of the economic reform. Whatever the reasons for the refusal, the view was expressed that it establishes a dangerous precedent in relations between the executive and legislative authorities and violates the system of collaboration between them envisaged by the Constitution. [passage omitted]

Then first deputy finance minister S. Dubinin presented a draft law "On Adjusting the Indicators of the Russian Federation Republic Budget for 1993." He announced that in finalizing this document, the government recalculated the indicators to take account of inflation, which, it is forecasted, will increase six times over by the end of the year. Explaining the proposed reduction in the number of expenditure items in the budget and the slight increase in taxes and expansion of the list of goods subject to excise duty, S. Dubinin said that they had acted on the basis of the need for tight regulation of the budget deficit, which could reach 20 trillion rubles [R] and constitute nearly one-half of all expenditure.

The measures proposed by the government will cut this deficit to R15 trillion, R3 trillion of which will be covered by foreign credits in accordance with treaties signed in the past. The remaining R12 trillion of the deficit will be one-tenth of the GNP, which is within permissible levels.

"The large defict will be a heavy burden on the state debt, and the government considers it necessary to constantly service this debt," S. Dubinin added. "The banks' and the population's confidence in the government as a debtor must not be undermined."

But the speaker was unable to satisfactorily answer the deputies' telling questions. In particular, the question how the education and science system is going to survive given proposed cuts of 20 percent in expenditure on these spheres remained unanswered. Why are such small sums being made available for the purchase of armaments, which could bring many defense plants to a halt and ruin them?

The companion report by A. Pochinok, chairman of the Budget, Plans, Taxes, and Prices Commission, described the fundamental shortcomings of the government-prepared document. In particular, the presentation of the budget was not accompanied by a government action program to restructure the economy and even the meager industrial investment programs that were envisaged earlier were cut when the budget was adjusted. It was stated that protected items of expenditure on education, health, and science, in which irreversible changes could start, must not be touched in any circumstances, and, moreover, the government must immediately pay them all the debts for the first six months, by rapidly arranging parliament-approved credits with the Central Bank for these spheres.

A. Pochinok proposed that cognizance be taken of the report on the draft law, that the availability of funding for sectors in the third quarter be confirmed, and work continue on the document. But, in his view, the law cannot be adopted at the moment, not on its first reading anyway—structural contradictons in the budget should be eliminated.

In the course of the ensuing debate deputies made many complaints about the quality of the adjusted budget, although the parliamentarians also said that the adoption of the budget is now a political as well as economic issue, since any mistake by the Supreme Soviet in this process would be used by political opponents to develop a new antiparliamentary propaganda campaign.

Speakers proposed that parliament should not adjourn for the vacation until a constructive solution to this problem has been found.

Parliament Approves 1992 Central Bank Report

LD0907182493 Moscow ITAR-TASS in English 1251 GMT 9 Jul 93

[By ITAR-TASs correspondent Lyudmila Yermakova]

[Text] Moscow July 9 TASS—Despite acute criticisms the Russian Parliament approved the report of the Central Bank for 1992 on Friday. The balance of assets and liabilities comprised 10 trillion 495.5 billion roubles.

The bank was recommended to take into consideration the remarks voiced by the parliament and work out a system of strict control over the use of centralised credits, fight criminal tendencies in the banking system and prevent the outflow of capital abroad.

The 1992 report of the bank was offered for approval by parliamentary Commission on Budget, Planning, Taxes and Prices. Commission Chairman Aleksandr Pochinok noted considerable improvement in bank's operations over the past 18 months, reflecting also the commission's opinion that the bank "has managed to somewhat normalize the situation in the financial sphere."

The report has been put through an auditing procedure performed by a specialized agency.

The Central Bank was seriously criticized for lack of flexibility in promoting investment and industrial production through its loaning and interest rate policy.

Legislators said strict control was needed over state loan allocations and criticised the bank for its vague role in stabilizing the rouble and preventing the outflow of capital abroad.

The commission refused to approve bank's profit-sharing statement for the past year since no respective data for 1991 or calculations substantiating the assets were submitted.

The bank was also criticized for ignoring parliamentary directive on using its profits to pay the national debt and aid agricultural production. The commission recommended the bank to submit in one week's time a loss-and-profit balance sheet for 2 years with substantiations for each profit-sharing item.

Supreme Soviet Introduces Copyright Law

LD0907163393 Moscow ITAR-TASS World Service in Russian 0810 GMT 9 Jul 93

[By ITAR-TASS correspondent Igor Galkin]

[Text] Moscow, 9 Jul—Copyright for writers, artists, composers, performers of artistic works, and inventors applies throughout their lives and for 50 years after death. Copyright is guarded for a still longer period in cases where people have been repressed or have worked during the Great Patriotic War. Copyright can be inherited. This is what is envisaged in the law "On Copyright and Related Rights" adopted by the Russian Federation Supreme Soviet today. It determines the relations that apply when artistic, literary, theatrical, cinematic works, material for television, and scientific work are created and used. When the copyright period applying to these works expires, they become public property and any individual is free to use them without paying royalties.

Committee Says Defense Ministry 'Insolvent'

LD1007043393 Moscow Russian Television Network in Russian 1445 GMT 9 Jul 93

[From the "Parliamentary Hour" program]

[Text] After a closed meeting of the Committee for Defense and Security, a news conference was held on the Defense Ministry's 1993 budget and where the money would come from. The main points that Deputy Piskunov made to journalists were the following: the value of defense funding is declining disastrously because of the collapse of economic policy; the government has expended its fund of goodwill among defense industry managers; state funds are being channeled into private business; and social unrest in the country's industrial centers is now a possibility.

Of particular concern is the fact that the Defense Ministry is insolvent. Its deficit has ballooned to 1 trillion rubles [R], which is equal to one-sixth of its entire annual budget. This means that the armed forces are no longer able to equip their units with modern armaments. Since it is hostage to the government's antinational policy, the military-industrial complex is being forced to stop designing and manufacturing modern weapons systems.

The program to provide servicemen with housing is no longer realistic. In this year alone the shortfall will be 2,500 apartments, due to inflation.

[Begin recording of V.V. Vorobyev, chief of the Main Finance Directorate of the Russian Federation Armed Forces] As far as the current financial state of the armed forces is concerned, I can tell you this: Allowing for the sums calculated for April, as decided by the government, the overall defense budget for the rest of this year should amount to R8.7 trillion, according to our figures. During working meetings at the Finance Ministry we concluded that the ministry was offering us 7.5 trillion. Bearing in mind the situation in April, when all this was discussed, and taking into account the economic realities in this country, we concluded that it was best to accept this sum.

At the same time, given the current situation, we cannot view it as a realistic sum. Why? Because prices for many items have been freed or gone up, which in turn means that much more money has to be spent. This is the background to our report today to the committee. We started off with the figure R8.7 trillion.

Meanwhile, the financial situation in the armed forces today is absolutely critical. For the first time we have failed to pay out wages for last month. This was always done between the 13th and 20th of every month. Can you understand the situation of servicemen's families, who have no other sources of income? For example, a platoon commander, a senior lieutenant, with a wife who is not working and two children? Let us think about what kind of a situation he is in right now.

Given the situation, I think our committee should tackle its issues more energetically and more specifically, to uphold the interests of the armed forces in the Supreme Soviet. [end recording]

International Affairs

Official Reaction to Russian Resolution on Sevastopol

Termed 'Open Interference'

LD0907201293 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 9 Jul 93

[Text] The Russian Supreme Soviet on 9 July adopted a resolution to the effect that the Ukrainian city of Sevastopol belongs to Russia. The resolution asserts that the city of Sevastopol allegedly has Russian status and is the main base of the Russian Black Sea Fleet.

The resolution adopted cannot be assessed to be anything else than an instance of grossly trampling upon the universally recognized norms and principles of international law. In particular, it is an open interference in the internal affairs of Ukraine, encroachment upon its territorial integrity, and inviolability of its borders. This resolution also is a gross violation of international obligations arising from Russia's UN membership, participation in the CSCE, bilateral Ukrainian-Russian agreements, and the Ukrainian-Russian agreement of 19 November 1990, in particular, which was ratified by the very same composition of the Russian parliament.

The Russian Supreme Soviet resolution is a direct continuation of an openly anti-Ukrainian policy that has lately been pursued by the Russian parliament. Attention to (?that policy) has repeatedly been drawn by Ukraine. The readiness of part of the Russian legislators to complicate and exacerbate to the maximum Ukrainian-Russian relations, in whose development there have lately appeared positive tendencies, particularly after the meeting of the presidents and prime ministers of the two countries, causes great surprise.

We do not identify this decision by the Russian parliament with the will of the Russian people, says the statement by the president of Ukraine. We believe that the Russians who take the stand of peace and friendly relations with Ukraine will not support their parliament's resolution. By this decision the Russian Supreme Soviet is trying to provoke a conflict on the territory of the Crimea and to cause tension and discord in relations between Ukraine and Russia. Disregard of the universally acknowledged norms and principles of international law, attempts by certain political forces in Russia which cannot get rid of the setbacks of imperial thinking in the policy line concerning Ukraine and other countries, former republics of the USSR, to sow hostility between nations, undermine peace and stability in the region and should be resolutely condemned by the world community. There should be no place for the law of the jungle in the present-day international relations. Mutual respect with all the states of the world, its neighbors, first and foremost, resolutely rejects any territorial claims to itself and calls on the world community, the UN Security Council, the CSCE, the North Atlantic Cooperation Council, and other influential international organizations to use all their authority with the aim of preventing the Russian members of parliament from taking destructive decisions which may lead not only the fraternal nations but universal peace and stability into an abyss.

Ukraine declares officially that the decision taken by the Russian parliament unilaterally has no legal consequences whatsoever. I hope that the Russian Supreme Soviet will revoke this illegitimate resolution. I believe that despite the decision, which has no legal basis, Ukrainian-Russian relations will further develop in the interests of both nations, Ukrainian President Leonid Kravchuk underscored in his statement.

Supreme Council Rejects Declaration

LD1007135793 Kiev UKRINFORM in Ukrainian 1131 GMT 10 Jul 93

["Ukrainian Supreme Council Presidium Statement"—UKRINFORM headline]

[Text] [no dateline as received] The Russian Federation Supreme Soviet adopted a resolution on 9 July 1993 that describes the Ukrainian city of Sevastopol as having "Russian (federal) status" and being "the main base of the single Black Sea Fleet."

This unprecedented resolution, whereby one state encroaches on the territory of another, grossly tramples on the universally recognized norms and principles of international law and cannot be regarded as anything other than impermissible interference in the internal affairs of Ukraine. It also grossly violates the obligations assumed by Russia under bilateral Russian-Ukrainian agreements, the agreement of 19 November 1990 in particular. In accordance with the latter, the sides recognize and respect the territorial integrity of one another. As for the Black Sea Fleet, the resolution by the Russian Federation Supreme Soviet also runs counter to the interstate accords reached in Yalta.

The Russian parliament's assertion that after the Crimea had been transferred to Ukraine Sevastopol remained a Russian city is an attempt to distort the historical truth. In accordance with the Ukrainian Constitution, Sevastopol was and will be a city within republican jurisdiction and has been funded from the Ukraine budget throughout all these years. That is why the resolution by the Russian Supreme Soviet, being misleading, can exacerbate the situation on the Crimean peninsula and provoke unforeseeable consequences.

The Ukrainian Supreme Council Presidium appeals to the population of the Republic of Crimea and the residents of Sevastopol for wisdom, calm, and refrainment from any actions that could complicate the situation.

The Ukrainian Supreme Council Presidium considers that the above resolution by the Russian Federation Supreme Soviet does not have any legal force and that no legal consequences arise from it for Ukraine.

Committed to its international obligations and aspiring to live in good-neighborliness, peace, and accord with all the states of the world on the basis of the norms of international law, Ukraine appeals to the world community and the United Nations Security Council as well as the Council of Europe, the Conference on Security and Cooperation in Europe, and the North Atlantic Cooperation Council to use their authority to exert influence on the Russian parliamentarians, whose hasty decisions can threaten peace and security on our earth.

[Dated] 10 July 1993

Kuchma Attitude 'Negative'

LD1007200193 Moscow ITAR-TASS in English 1942 GMT 10 Jul 93

[By UKRINFORM correspondent Alexey Petrunya for TASS]

[Text] Kiev July 3 TASS—Ukrainian Prime Minister Leonid Kuchma has expressed satisfaction over the results of the meeting of prime ministers of Russia, Belarus and Ukraine, held at the residence of the Russian Government near Moscow.

He made a statement for the press after arriving in Kiev from Moscow, in which he praised the agreement on Ukrainian-Russian cooperation in the oil and gas industry, which was also signed today. It envisages Russia's smooth transition to exporting oil to Ukraine at world prices.

Responding to the question about his attitude to the resolution of the Russian parliament about the "Russian Federal status of the city of Sevastopol", Kuchma said that his attitude was negative. Moreover, he said the head of the Russian Government had expressed the same feelings during their meeting on Saturday. According to Kuchma, Chernomyrdin told him that the resolution of the Russian parliament was at variance with the stand assumed by the Russian president and the head of government.

Parliamentarian on 'Declaration of War'

LD0907201593 Moscow Russian Television Network in Russian 1900 GMT 9 Jul 93

[From the "Vesti" newscast]

[Text] Ukrainian Foreign Minister Anatoliy Zlenko has described the Russian Parliament's decision that Sevastopol has the status of a Russian town as interference in internal affairs.

Dmytro Pavlychko, chairman of the Commission for International Affairs in the Ukrainian Parliament, described the Russian Supreme Soviet's decision on Sevastopol as a declaration of war on Ukraine. He also believes that the decision could radically alter Ukraine's foreign policy, and that the Ukrainian Parliament will defend itself in the appropriate way. Pavlychko noted at the same time that the Russian Supreme Soviet does not reflect the opinion of the whole Russian leadership.

'Ill-Considered' Action Viewed

LD1007201893 Kiev UKRINFORM in Ukrainian 1655 GMT 10 Jul 93

[Text] [no dateline as received] The military collegium of the Ukrainan Defense Ministry referred to the actions of the Russian parliamentarians with regard to the sovereign Ukrainian state as ill-considered and provocative. Issues connected with the decision by the Supreme Soviet of the Russian Federation on revising the current status of the city of Sevastopol were considered at the military collegium's sitting on 10 July.

The collegium of the Ukrainian military department assessed the fact of an encroachment on the territorial integrity of the Ukrainian state, which confirms in every way possible its good intentions in relation to its neighbors, as an unprecedented event in the practice of world politics. It was underscored at the sitting that by venturing to make such a move the Russian parliamentarians have assumed responsibility for all the possible consequences.

The military collegium decided to work out and submit specific proposals to the leadership of the country, which would promote the stabilization of the situation in the Crimea, Sevastopol, and the Black Sea fleet.

[Signed] Press service of the Defense Ministry of Ukraine.

Navy Commander Comments

LD1107153893 Kiev UNIAR in Ukrainian 1137 GMT 10 Jul 93

[Text] Sevastopol 10 Jul—Commenting at the request of a UNIAR correspondent on the Russian parliament's decision concerning the status of the city of Sevastopol, Rear Admiral Borys Kozhyn, commander of Ukraine's naval forces, said he "fully supports the stand of President Leonid Kravchuk, and, proceeding from the fact that Sevastopol is part of the Ukrainian state, is doing planned work on the formation of Ukraine's naval forces."

Parties, Groups Condemn Russian Action on Sevastopol

Officers Protest Sevastopol Resolution

LD0907212793 Kiev Radio Ukraine World Service in Ukrainian 1800 GMT 9 Jul 93

[Text] Here is a statement by the Union of Naval Officers of Ukraine in connection with the consideration of the issue on the status of Sevastopol by the Russian Federation Supreme Soviet. In particular, the statement says that the actions by those who submit this issue for the discussion in the Russian parliament cannot be regarded as anything other than an undisguised attempt to encroach on Ukraine's territorial integrity and a gross violation of all the earlier achieved agreements. The statement says that the territory of Ukraine, Sevastopol included, is under the protection of the Ukrainian Armed Forces, which will not allow any encroachment on the sovereignty of the independent state. The Union of Officers of Ukraine proposes that the agreement, signed by the two presidents, should be ratified within the shortest possible period of time in the name of security of the Russian and the Ukrainian nations. The coordinating council of the Congress of Ukrainians of Sevastopol also voiced its protest against the revision of the status of Sevastopol by the Russian parliament.

Rukh Leader Opposes Claims

LD1007172693 Kiev UKRINFORM in Ukrainian 1454 GMT 10 Jul 93

[Text] [no dateline as received] Vyacheslav Chornovil, chairman of the Rukh people's movement, assesses the resolution by the Russian Supreme Soviet on the so-called "federal status" of Sevastopol within the composition of Russia as a gross interference in the domestic affairs of Ukraine. In the opinion of the Rukh leader, this resolution will hardly lead to a military conflict, but will, however, certainly aggravate the already tense relations between Ukraine and Russia. Vyacheslav Chornovil believes that the Supreme Soviet of Russia is striving to play on the chauvinistic sentiments in Russia and Sevastopol, with the help of this Sevastopol gamble, to raise its popularity after the defeat at the recent referendum. "Ukraine should immediately appeal to the CSCE and the UN Security Council with a resolute protest against the aggressive encroachments of Russia," the Rukh chairman said.

CNDF Supports President

LD1107134793 Kiev UNIAR in Ukrainian 1137 GMT 10 Jul 93

[Text] Kiev, 10 Jul—The Council of the Congress of National Democratic Forces [CNDF] of Kiev Oblast has adopted a statement about the 9 July decision by the Russian Supreme Soviet on the status of the city of Sevastopol and the Black Sea Fleet. "The present situation is vividly remininiscent of the period at the turn of the century when the Russian Empire needed a "small-scale victorious war" which, by the way, also concerned so-called "Russian ports." That war took place in the Far East. The decisions taken by the compromised Russian Supreme Soviet, which failed to receive the support of its people at the referendum, is an open violation of the Helsinki agreements on the inviolability of borders in Europe and of the interstate agreements between Ukraine and Russia abjuring mutual territorial claims.

In the critical situation brought about by the Russian parliament, the Congress of National Democratic Forces of Kiev Oblast supports the resolute actions by the president and government of Ukraine aimed at consolidating the sovereignty and guaranteeing the inviolability of the state's territories," the statement says.

Democratic Revival Party Assails Declaration

LD1107220993 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 11 Jul 93

[Text] According to the Democratic Revival Party of Ukraine's press service, its presidium made a statement on 11 July in connection with the decision of the Russian Federation's Supreme Soviet on the status of Sevastopol city. The party regards this resolution as an act of crude interference in independent Ukraine's internal affairs and a violation of the norms of international law. Unfortunately, it stresses, this action is a vivid illustration of Russia's centuries-old imperial claims on our territories.

The party's presidium called on the president and the Supreme Council of Ukraine to appeal to international organizations, first of all to the United Nations, for support. This, it stressed, must prevent the conflict from developing further and ensure that the Russian Supreme Soviet's actions are judged as aggressive. At the same time, the party presidium deems it necessary to use every opportunity for a political settlement of the problems of Sevastopol and the Black Sea Fleet.

Christian Democrats Support Kravchuk Statement

LD1107033793 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 10 Jul 93

[Text] The Christian Democratic Party of Ukraine has supported the statement by President Leonid Kravchuk on the [Sevastopol] resolution by the Russian Supreme Soviet. As the main council of the Christian Democratic Party pointed out, this resolution represents gross interference in Ukraine's domestic affairs and has no legal force whatsoever. Party leader Vitaliy Zhuravskyy sent a telegram today to Russian President Boris Yeltsin.

Kiev Rally Against Resolution

LD1107174693 Kiev Radio Ukraine World Service in Ukrainian 1500 GMT 11 Jul 93

[Text] The Vitzhyzna Society is holding a rally in Kiev today in protest against the adoption of the resolution by the Russian Federation Supreme Soviet on the status of Sevastopol. This public foundation resolutely denounces the stand of the Russian parliamentarians who ventured to interfere in a gross and unprecedented manner in the affairs of independent Ukraine.

The society's leader, Viktor Borkivskyy, underlined that today's gathering on Independence Square should at the same time become a demonstration of support for the course of the Ukrainian state toward building its independence.

Mixed Response to Russian Resolution in Crimea

LD1007093593 Kiev UNIAR in Ukrainian 0717 GMT 10 Jul 93

[Text] Simferopol, 9 Jul—Attitudes among the Crimean people toward the Russian Supreme Soviet resolution on the status of Sevastopol as a Russian city have been of a varying nature. A UNIAR corresponent has asked representatives of the Crimean public to comment on the decision.

Vadym Mordashov, deputy chairman of the Russian Movement of the Crimea, stated the following: "We have been waiting for this decision and fully support it. Sevastopol has always been an ex-territory in respect of the Crimea and has never belonged to Ukraine."

Volodymyr Leshchenko, a Crimean parliament's people's deputy, stated that "prior to making such decisions at the state level, one should consult the Crimean population. One just does not do that sort of thing." However, Mr. Leshchenko is convinced that the majority of the Crimean population would support the Russian parliament resolution in the event of a referendum.

Crimean Supreme Council Chairman Mykola Bahrov stated that it is too early yet to make any comments. He will immediately get in touch with the Ukrainian president and together they will work out the position of the Crimean Supreme Council on the issue. Mr. Bahrov further stated that there is the Constitution of the Republic of the Crimea and that fact should by all means be taken account of, particularly by the Russian Supreme Soviet.

Ihor Panakh, chairman of the Crimean branch of the Ukrainian Republican Party, came out categorically against the Russian Supreme Soviet resolution. He described it as interference in the internal affairs of the Ukrainian state.

An UNIAR correspondent has conducted a quick telephone opinion poll among 50 residents of Simferopol. The following question was asked: "Do you support the Russian Supreme Soviet resolution?" Of those polled, 54 percent said it made no difference to them, 34 percent expressed support for it, and 12 percent did not support it.

Oganizations Discuss City's Status

LD1007194393 Moscow ITAR-TASS in English 1915 GMT 10 Jul 93

[Text] Sevastopol July 3 TASS—Activists of the All-Crimean Movement of Electors for the Republic of the Crimea held a rally here on Saturday in support for the resolution of the Russian parliament on the status of Sevastopol as the base of the Russian Black Sea fleet. Participants in the rally demanded the convocation of a session of the Sevastopol City Council of People's Deputies, the hoisting of Russian flags on the administrative buildings instead of Ukrainian ones and the withdrawal of the Ukrainian navy from Sevastopol.

On the contrary, the Ukrainian Officers' Union described the decision of the Russian parliament as an "open attempt to encroach on the territorial integrity of Ukraine and a gross violation of the Russian-Ukrainian agreements". Their statement, circulated through the press centre of the Black Sea fleet, urges the Russian parliament "to ratify the Moscow agreement as soon as possible for the sake of security of the friendly Russian and Ukrainian nations".

The Sevastopol Coordinating Council of Ukrainians came up with a similar statement. It urges both sides to show a "reasonable approach" to the Sevastopol problem.

Rallies in Support of Resolution

LD1007124793 Moscow Ostankino Television First Channel Network in Russian 1100 GMT 10 Jul 93

[From the "Novosti" newscast]

[Text] Spontaneous rallies are going on in Sevastopol in support of the decision by the Russian parliament. ITAR-TASS reports that a number of the city's sociopolitical organizations plan to picket the building of the Sevastopol administration today demanding that the Ukrainian state flag on it be removed.

Military Units Reportedly Formed

LD1007095593 Kiev UNIAR in Ukrainian 0717 GMT 10 Jul 93

[Text] Simferopol, 9 Jul—A representative of the "Crimea with Ukraine" committee of public associations has reported that there is not any great anxiety perceptible in Sevastopol in connection with the Russian Supreme Soviet resolution on the status granted to Sevastopol as a Russian city.

"Anxiety and concern are perceptible at parliamentary and governmental level.

"As has become known from unofficial sources, pro-Russian military units have started to form in Sevastopol. However, we certainly do not think Moscow is going to engage in a military conflict with Ukraine.

"Leonid Kravchuk did not express any resolute opinion on that, and what is considered by some to be political wisdom can be described by us as an inability to take any resolute political actions."

Kravchuk Favors Ratifying START I Treaty

LD1007165593 Kiev UKRINFORM in Russian 1409 GMT 10 Jul 93

["Leonid Kravchuk: Nuclear Weapons Issue Should Be Tackled Comprehensively"—UKRINFORM headline]

[Text] [no dateline as received] "I hope we will have enough responsibility to make a reasonable decision: To ratify the START I Treaty and to join the Nuclear Weapons Nonproliferation Treaty," Ukraine President Leonid Kravchuk stated after visiting a missile base during his stay in Vinnitsa oblast. At the same time, he continued, the issue of taking nuclear launchers out of combat duty should be tackled comprehensively.

Above all, it is necessary to conclude an agreement with the Russian Federation, according to which financial compensation will be made to Ukraine. We should also be certain that no one will ever use these lethal weapons. Ukraine has the right to have guarantees of its security. Besides, the decision should be such that as a result our relations with Russia do not deteriorate, but on the contrary, improve. The president of Ukraine inspected the missile base, a launching silo, and a command post. He talked with the officers and soldiers on combat duty and with the command of the military unit.

Kravchuk Wants Close Ties With Russia, CIS

LD0907174493 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 8 Jul 93

[Interview with President Leonid Kravchuk by unidentified correspondent for Ukrainian Television; place and date not given—recorded]

[Text] [Correspondent] [Question indistinct]

[Kravchuk] Yes, really after the CIS was created a new page in people's lives and in relations between states was opened. It is new because a very important problem appeared for everyone and that was the creation of our own independent states. Similar problems appeared. Every nation [narod] began to create its own state and all the institutions of statehood. This became the first priority. But the problems concerning relations and ties that should have been built on a different basis, were simply removed and it seems to me that this was not only a problem for Ukraine but for everybody. I remember the number of times we gathered after the summit meetings, they all said the same thing: Our internal problems are so acute that we must resolve them. But in resolving our internal problems we somewhat forgot about our ties. This effected the settling of these problems. This concerns everyone.

As for Russia, that is, of course, the all-important problem for Ukraine. I think that it is so not only for Ukraine but (?also a little) for Russia. I am convinced that relations with Russia will (?to great extent) determine life both in Russia and Ukraine, both at present and in the future. That is why Ukraine pays so very much attention to it.

If you take statistics then we met with Boris Nikolayevich six times (?to discuss) all the problems that needed to be discussed. I am not talking about the constant telephone conversations or the meetings within the CIS framework. That is to say, there is a process of taking or bringing out these relations onto a new level, on a friendly and equal basis, and one of parity. But first, this is not so simple. Second, we must bring them out into the course of such legislative documents, legal documents, and various economic and political (?conditions). The elaboration of a far reaching treaty between Ukraine and Russia is now coming to an end.

You see how people gradually are coming to [word indistinct] forms of relations. Say [word indistinct] in Sumy oblast are meeting with their colleagues who are near the border region. In Kharkov recently there was a meeting of five Ukrainian and five Russian oblasts where, by the way, our prime minister, the Russian prime minister, and the chairman of Ukraine's Supreme Council were present. In their time there were corresponding meetings of the Donetsk, Lugansk, and other oblasts. People are searching primarily for economic stabilization, but not only economic because there are more acute problems in the border areas, like for example, border problems, customs problems, and problems of meetings on a simple daily or other level. Attaching [word indistinct] importance to such initiatives I issued an order to our Cabinet of Ministers to sign a respective agreement with the Russian Government to consolidate the nature of relations first and foremost in the border regions in a legislative or a documentary manner.

Next we have problems not only with Russia but with other countries of the former USSR. There is a problem with Belarus and with relations with other states but this problem with Russia is of the highest priority.

I will say one more thing to you about the political union because the document on an economic union or an economic commonwealth, as we call it, is ready and will be published in the newspapers so (?people) can acquaint themselves with it. It was initialled by our side in Minsk. We have certain views on some specific points in this document but I do not want to talk about it now because I would like people to familiarize themselves with this document. A political union is often being talked about now, too. For example, apart from an economic union, can there be a political union of states of the former Union as well?

I am convinced that an economic commonwealth, no matter what it is called, is a realistic idea. As for a political commonwealth, however, this idea is unrealistic. I will try to explain why it is unrealistic. In general, people can gather in a political union, too. However, where it involves people of different cultures, different traditions, different religions and, finally, of different spiritual foundations, such a gathering is unable to exist on a democratic basis. It can exist but on the basis of dictatorship and totalitarianism. Our history has already seen that.

Because it is only by way of force that one can unite all the people of such a spiritual variety and subordinate them to one political system, (?to speak nothing of a union), this being called a name that it has already (?been known by), which is the one Soviet people, speaking the one language, and so on. It is impossible under a democratic structure.

I stress that this is because uniting people in a political union today would mean putting a stop to any democratic processes [word indistinct]. This is why I am repeating speeches, delivering speeches, have given speeches, and will give speeches in favor of the economic commonwealth which would provide the possibility for people to live and work in a free and democratic world. But these should be separate and independent states with their own political institutions, their own structures; they should live harmoniously, with equal rights as partners; they should help one another to build their independent economies and their political structures. This is realistic and feasible. I support this policy.

[Correspondent] But there are certain (?relapses) on this path, say in the draft some figures appeared to the effect that out of the 620 billion karbovantsi (?in credits) indebtedness of Ukrainian enterprises and organizations to CIS partners the largest share belongs to Russia. I understand that Russia also owes Ukraine a considerable sum. Could this be understood, in part, as a protest or [word indistinct]?

[Kravchuk] A way out can always be found, although when Ukraine began to search for economic ties not only with CIS countries but also with other countries then you probably remember the fuss this caused, as if Ukraine was searching for some alternative source of energy when we already have the pipes and everything else with Russia. Russian commercial structures that have an oil and gas monopoly today are already selling us gasoline and diesel fuel at higher then world prices. We spoke about world prices but this is higher than world prices, and payment is hopeless. When there is one pipeline and one owner, he dictates the price. This is why every country in the world has alternative sources. In no way does this mean that when we are searching for alternative sources we are worsening relations with either Russia or Belarus. By doing this we are simply safeguarding ourselves from the monopoly influence on our economy. I can tell you that unless we do this and if again there is some kind of suspicion around this, then we will not pay the world price but 1.5 times higher than the world price and we will simply be in a helpless situation because one pipe can always be closed down. We must live in a civilized way. This will not harm Ukraine or Russia. To live normally means to search for normal ways of development both with Russia and with other states.

Again I would like to explain one more watchword which at the moment has a very permanent nature. I am in favor of ties. I am in favor of renewing all ties. Under this watchword of renewing ties there is another watchword: renew the Soviet Union because it is impossible to renew all ties. Why is it impossible? Because there are, say, factories, like those in the military industrial complex. We had the Soviet armed forces, and there were requirements for weapons and for orders. Now the armed forces are being cut. Factories in Russia have already closed down or have been converted. How can our factory renew ties with a factory that does not exist? We are talking about a real situation, real ties that came about on a realistic political and economic basis. Finding other ties and deepening them is a realistic task. I repeat: deepen and develop on an equal and balanced basis. It is simply unrealistic to renew all the ties.

[Correspondent] (?These independent states) have borders. Speaking about ties, (?it means) a new border between independent states. If (?on the Crimean issue) Ukraine would work from [words indistinct] as state territorial integrity.

A lot of questions that are arriving concern certain complications (?experienced by) Ukrainian and Russian citizens in respect of crossing the state border (?between the two countries).

[Kravchuk] There are complications, and there are complications which were created artificially. We met with regional representatives of the president today and agreed that they would be granted more plenary powers in this respect. One should not create artificial complications, such as how many Pepsi-Cola cans can be transported across the border. To hold any discussions on that is simply nonsense.

There are border problems, however, which are bound to exist because there are things that must be regulated. For example, smuggling: Is there any? Yes, there is. Are there valuables leaving? Yes, there are. Finally, there is the movement of people after the borders became transparent, who can come from any country, cross our Asian countries, enter Russia, and cross the border into Ukraine. We came across many cases of whole groups of people in the western regions who want to cross Ukraine into another state. There are wheeler-dealers making business out of it.

Can we afford not to have border controls that would prohibit these specific things, such as valuables leaving and drugs and various groups of specially (?trained) people crossing? What else can there be?

Now, these things are at the daily level and at the exchange level, such as customs duty and customs associations. The latter could define and remove any obstacles of that kind from people's way so that they did not notice the effect the borders have on them, which is normal. Then everything will be easy and simple. Once again, to say that there is a state that does not have borders is something (?even) Russia will not agree to.

By the way, Russia—not Ukraine—was the first to erect customs borders. It was after that that we erected ours. Does that concern Ukraine only? Every state guards its borders and its territory. This is what its integrity is about. However, the things that are in the way and that are creating additional difficulties must be removed.

[Correspondent] Leonid Makarovych, that, in one way or another, concerns state security issues. You know there are various statements by representatives of various political forces and institutions in Russia that concern territorial claims against our state. What is your attitude toward these claims and could you comment on these statements?

[Kravchuk] You must know that the president is the guarantor of the state's territorial integrity according to the Constitution. This is no accident. This is the most important or one of the most important functions of the president. This also is the limit beyond which any discussions stop. That is to say, we cannot hold discussions with anyone on issues concerning the territorial integrity of the state.

Ukraine does not have any territorial claims against anyone. It has declared so both from the UN rostrum and from the highest rostrum of its Supreme Council. We do not have any territorial claims against anyone. Accordingly, we do not accept any against us either. We have signed all the international agreements. We participate in the Helsinki process. We are a UN member. We signed the Paris Charter, which incidentally was also signed by those states which have now somehow forgotten about it and have some sort of claims against us.

The only thing I can say is that we on the executive power level do not observe any (?perceptible) claims by anyone, including Russia, our biggest neighbor. Neither from the Russian president nor from any other power structures. There are some at the level of political forces and (?also) at the level of the Russian deputies' corps, where it is always being (?stirred up). But I hope that wisdom will have the upper hand, because I believe in the democratic nature of Russia, and I believe that democracy in Russia will win and overcome all the difficulties. I would not like us to exacerbate this problem to the extreme because I would like to repeat that it is at discussion level and is being used by the forces that would not like us—Ukraine and Russia—to have normal and friendly relations. They just would not like us to because they could shift some of their troubles on to that and use that to divert people's attention from some of the most acute problems of their own, shifting them on to problems in Ukraine. Incidentally, this applies to issues surrounding the Fleet, the Crimea, and Sevastopol. Unfortunately, all of it is being stirred up.

I hope that we will be able to find the right settlement to this issue. For Ukraine's part, we will do everything, such as discussing normal relations and concluding relevant documents, so that these issues are removed. (?What is more), there exists a political agreement between Russia and ourselves, although it was signed long ago, at the time when the Soviet Union still existed. However, it is expressly stated there that neither Russia nor Ukraine have any territorial claims against each other. We hope that a new agreement that we will prepare will by all means have this provision of utmost importance incorporated in it.

[Correspondent] Thus, one could say that relations between Ukraine and Russia is a process, a positive character which has already been manifested?

[Kravchuk] Undoubtedly so. I would also like to say that we have to adopt an understanding attitude toward this process. I have already said that there was a period of construction in which we enthusiastically engaged. That is true, and that was understood by both Russia and Ukraine. We have now reached another level of understanding. Life has shown that it is exactly interstate relations—such as economic, political, spiritual, cultural, and other relations—that we must deal with and pay more attention to, as early as this stage. We have come close to it too. Both our visit and that of Russian Prime Minister Chernomyrdin's to Ukraine, as well as various meetings, show that we are approaching these relations, that we have already found the basis for these relations, and that we have felt it happening.

This idea must not only develop fully in the upper echelon of power but also penetrate each man, group of people, area, region, borders, and people who live at the borders for them to understand that we do have any claims whatsoever to be raised against each other. We want to find economic and other mechanisms of these relations, mechanisms that would not put anyone in a difficult position, that would open the way for nation-building both in Ukraine and Russia.

However, the only thing that should be understood is this: Friendly relations possessing equal rights between the two states, two friendly people, and two independent states are at issue. If relations are understood by anyone as, once again, a loss of one's statehood or any of its aspects, (?I am convinced that) these relations are of no interest to either Russia or Ukraine. Russia will never give up its statehood and nor will Ukraine. But finding ways and helping each other to cooperate and live normally, taking account of not only requirements of today but also those of the future, and—for Russia and us—setting an example of such community and mutual understanding, as well as meeting each other half way, is a normal policy and is exactly the kind of policy we will pursue, develop, and enrich.

Spokesman Defends Government on Detained Chemicals

WS0907135693 Kiev HOLOS UKRAYINY in Ukrainian 7 Jul 93 p 3

[Statement by Dmytro Tabachnyk, press secretary of the Ukrainian Cabinet of Ministers, made in Kiev on 5 July]

[Text] Some time ago, reports appeared in government institutions and the mass media of Ukraine, the United States, Germany, and other states, regarding the detention by Ukrainian custom officials at the port of Illichevsk of four containers transported from Russia via Ukraine. The containers were filled with ammonium perchlorate—a substance that can be used as a component of solid rocket fuel. According to international laws, such substances are subject to special supervision. The load was shipped by one of the chemical plants in Novosibirsk Oblast to the Bulgarian port of Varna under a contract with a German firm.

The shipment was detained by Ukrainian officials due to a lack of necessary documents as stipulated by international laws for this category of material. Furthermore, the Ukrainian Government had received official information containing certain facts and expressing alarm over the possible destination of the shipment—a country subjected to UN sanctions. At the same time, the originator of the load—the foreign economic joint stock company Pavoks from Moscow—rejected any connection of the load to military production. However, to date, the company has not presented the final destination certificate. The Ukrainian Government Committee for Export Control has banned shipping the containers until a final clarification of all the details of the affair is made. A conversation with the German ambassador has been held at the Ukrainian Foreign Ministry, prompted by the fact that a German firm was named as the addressee of the shipment.

With regard to the aforementioned facts, I want to state that while resolving this issue, the Ukrainian Cabinet of Ministers will strictly observe the norms of international law and use all means to strengthen the atmosphere of peace, security, and mutual trust among the countries of the world community; and will observe all the UN sanctions.

I find it important to underline this because unsubstantiated reports and overt fabrications have been repeatedly appearing in foreign media regarding the policy of Ukraine and its government. Unfortunately, even such respected publications as the English OBSERVER sometimes use these means. Some time ago, it reported about Ukraine selling eight guided missiles to Iran, and then, at the demand of our embassy, had to publish a retraction. All this does not help develop civilized international relations.

The Ukrainian Government will continue efforts to explain its policy and support peace and good-neighborly relations within the world community.

National Affairs

Kuchma Discusses Land Irrigation Program

LD1207104393 Kiev UKRINFORM in Russian 0829 GMT 12 Jul 93

[By UKRINFORM correspondent Valentyn Vernodubenko]

[Excerpts] Kherson, 12 Jul—Today Ukrainian Prime Minister Leonid Kuchma began his visit to Kherson and Kirovograd oblasts. Upon his arrival at the Kherson airport, the head of government said that the Ukrainian Cabinet of Ministers adopted a state program of land irrigation up to the year 2000 and that he is interested in issues connected with its implementation and in the efficiency of the use of irrigated lands. [passage omitted]

His itinerary envisages visits to enterprises in Skadovsk rayon, to an experimental rice-growing station and the Krasnoznamenskaya irrigation system.

Tomorrow the Ukrainian prime minister will familiarize himself with the work of enterprises in Kirovograd oblast and will visit the Krasnaya Zvezda [Red Star] production association.

Crimea Establishes Executive Bodies, Ministries

LD1007122993 Kiev UNIAN in Ukrainian 1900 GMT 9 Jul 93

[Text] [no dateline as received] Despite heated debate on a report on "The concept of reforming state power in connection with the open economy rule being introduced on the territory of the Republic of Crimea," delivered by Borys Samsonov, chairman of the Crimean Council of Ministers, at the Crimean Supreme Council session on 9 July, the majority of the deputies supported the concept proposed. At its evening session, the Supreme Council session adopted the law "On the System of Central Bodies of State Executive Power in the Republic of Crimea."

The law envisages that 17 ministries, such as, in particular, justice, the interior, and finance ministries, as well as the Security Service of the Republic of Crimea having the status of a ministry, and 12 state committees are to be formed within the Crimean system of central executive bodies. It is envisaged that ministries, except for the Ministry of the Interior, the Crimean Security Service, and the State Committee for Statistics, are to be financed from the republican budget.

The Crimean Supreme Council adopted a resolution validating the law.

The session voted down a draft of the proposed interim law "On Bodies of State Executive Power in the Republic of Crimea." The draft would have placed local authorities under the Crimean Council of Ministers' control and formed the Crimean Government town and district executive committees. Instead, it was proposed that two other laws, "On Bodies of Executive Power" and "On Local Self- Government," should be worked out.

Also today, the first resolutions by the Crimean shadow "cabinet of ministers" were circulated at the session. The shadow "cabinet of ministers" was formed by the Russian Party of Crimea on 18 June.

In particular, Resolution No. 1 "On Citizenship of the Republic of Crimea" recognizes the 6 May 1992 version of the Constitution of the Republic of the Crimea, which declared the Crimean autonomous republic an independent state. Crimean parliament deputies have not yet given any reaction to that and the other resolution "On

Social and State Protection of Servicemen, Members of Staff at Law Enforcement Agencies, and the Security Service."

Committee for Protection of State Secrets To Avoid Ideology

LD0907183893 Kiev Radio Ukraine World Service in Ukrainian 1500 GMT 8 Jul 93

[Text] The Ukrainian Cabinet has approved the regulations on the State Committee of Ukraine for the Protection of State Secrets in the Press and Other Mass Media.

In accordance with the regulations, the committee is to operate a state policy for the protection of state secrets and classified information in the press and other mass media. Some of its main tasks are to ensure the functioning and improvement of a single system of protection of intelligence that constitutes state secrets. The committee will not exert control over the ideological content of published or broadcast materials. It is to carry out its activity solely on the basis of enforcible enactments on state secret and classified information protection issues.

Sevastopol Communists Hold 'Restoration Conference'

LD1107154393 Kiev UNIAR in Ukrainian 1137 GMT 11 Jul 93

[Text] Sevastopol, 10 Jul—The Sevastopol association "Communist Party of the Crimea" has held its unification and restoration conference. A total of 236 delegates and Leonid Hrach, leader of the Communist Party of the Crimea, took part. About 80 percent of those present voted in favor of the unification of the communist organization within the Communist Party of the Crimea. The party conference entrusted the city committee of the party to study the social, economic, and political consequences of the decision by the Supreme Soviet of Russia, and to take relevant decisions concerning the status of the city of Sevastopol. It also proposed that the question of the restoration of a single Union be included in the referendum on confidence in the president and the Supreme Council due to take place on 9 September 1993.

Belarus

Economic, Social Ties With Russia To Be Strengthened

WS0907112693 Minsk Radio Minsk Network in Belarusian 0700 GMT 9 Jul 93

[Text] RIA learned at the briefing at the Russian State Committee for Cooperation that Russia and Belarus are going to formulate a number of urgent measures for bolstering their bilateral trade, production, investments, money and credit, financial, currency, and social relations. The Russian State Committee representative elaborated on the results of the meeting of Russian and Belarusian experts which was held in Minsk. The parties agreed to develop close contacts in the sphere of economic reforms, and to carry out multilateral cooperation in the political and defense spheres.

Committee Chairman Interprets Law on Vouchers

WS0907112493 Minsk RID in Russian 1453 GMT 8 Jul 93

[Text] Leonid Petrovich Kozik, chairman of the Supreme Soviet Committee for Economic Reform, gave a press conference on the adoption of the law "On Personal Privatization Vouchers in the Republic of Belarus."

This press conference noted one interesting peculiarity, that although the law was adopted, there was one small hitch concerning its enactment—the Supreme Soviet decree on the implementation of this law has not yet been approved. Given this situation, L. Kozik stated that if the decree was not adopted, the law would come into force on a general basis, that is, 10 days after its publication with those articles that do not contradict the established legislation.

L. Kozik stressed that privatization Belarusian-style will be different primarily due to its personal vouchers possessed only by Belarusian citizens, and for a free opportunity to transfer "property" vouchers to "housing" vouchers, and vice versa. Citizens will be allowed to transmit them to other persons or sell them observing all necessary formalities. L. Kozik did not indicate the value of the voucher. However, he referred to the State Property Committee of the Republic of Belarus which has assessed the voucher's value at 1,000 rubles. The law stipulates that adult citizens will receive from 20 to 50 or more vouchers in accordance with their age, work record, and in consideration of different benefits.

Moldova

Dniester Representative Wants Republic's Recognition

AU1007201293 Chisinau BASAPRESS in English 1714 GMT 9 Jul 93

[Text] Tiraspol, BASAPRESS, 9/7/1993—Moldavian Dniester Republic shouldn't recognize the sovereignty and integrity of the Republic of Moldova, declared Viktor Dyukarev, the member of Tiraspol delegation at the negotiations concerning special status of Eastern regions, in an article published today in the newspaper DNIESTROVSKIY MERIDIAN. Dyukarev affirmed that respecting sovereignty and integrity of Moldova is illogical and even absurd. Tiraspol representatives insist on recognizing the status of the self-proclaimed Dniester Republic and on creation of a Moldovan confederation, stated the cited source.

Head of Dniester Negotiators Wants Confederation

AU1007200993 Chisinau BASAPRESS in English 1714 GMT 9 Jul 93

[Text] Tiraspol, BASAPRESS, 9/7/1993—Anna Volkova, head of Tiraspolian delegation for negotiations with the Republic of Moldova concerning the status of the Eastern regions insisted on confederalisation as being the unique acceptable way out, in an interview offered to Olivia-press Agency. A special judicial status for the Eastern regions of Moldova, i.e. what the delegation from the part of Moldova proposed, does not have any support, declared Volkova. She also clarified that Tiraspolian authorities do not protest against participation of representatives from Russia, Moldova, Ukraine and Romania in these negotiations. The Dniester part does not plan to cease negotiations, according to Nicolae Andronic, the leader of the Moldova party, declared, stated the cited source.

Dniester Prosecutor To Investigate Corruption

AU0907182293 Chisinau BASAPRESS in English 1731 GMT 8 Jul 93

[Text] Chisinau, BASAPRESS, 8/7/1993—There exist people who make huge sums of money within governmental circles in Tiraspol and they will find themselves under the supervision of the Prosecutor's Office in the near future, declared Boris Lucik, the prosecutor of the self-proclaimed Dniester Republic. In an interview published in the daily of Russian expression NEZAVISIMAYA MOLDOVA. According to Lucik's speculation, this corruption, which dominates Tiraspol is not worse than in Moldova where its level does not greatly differ from the one in former Soviet republics. While being questioned about the situation in Bender, Lucik stated that, despite the presence of peace keeping forces, representatives of the prosecution from Tiraspol and Chisinau and subdivisions of police and militia, Bender is indicated in bulletins of the Ministry of Interior regarding corruption. The prosecutor from Tiraspol declared that they are going to impose order in Bender with their own forces and will also appeal to Moldova. Lucik claimed that he had not renounced his old friends and colleagues from the Police, Prosecution and Security of Chisinau. He refused to comment on the correspondent's question about the intended file against him by the Prosecution of

Moldova. Dumitru Postovan declared, while being questioned by the author of the interview, that Boris Lucik and all staff from the Prosecutor's Office of the self-proclaimed Dniester Republic were sued on the basis of Article 207 from the Penal Code of the Republic of Moldova. This article provides punishment for the abuse of power or functions.

Cooperation Between Gagauz, Dniester Noted

AU0907182993 Chisinau BASAPRESS in English 1731 GMT 8 Jul 93

[Text] Comrat, BASAPRESS, 8/7/1993—A general session of the representatives from Comrat and Tiraspol will be organized in August or September, declared to a correspondent of BASAPRESS Dimitriy Cebanov, the head of Administrative Direction of Government of the self-proclaimed Gagauzian Republic. The general plan of common activity signed on the 30th of June in Tiraspol by Nicolae Tepliz, the Prime-Minister of the Supreme Soviet from Comrat and Vladimir Botnar, the Vice-President of the Supreme Soviet of the self-proclaimed Dniester Republic includes organizing round tables with the participation of Gagauzian and Dniestrian representatives and common sessions of parliamentary commissions between those two self-proclaimed formations. The cited source communicated that by the end of July a general meeting of local administrations from Tiraspol and Comrat, Ceadar Lunga and Bender, Vulcanesti and Dubasari is planned. Amongst actions which are planned for examining social and political situation in the former USSR by the Parliament from Comrat and Tiraspol is a common meeting between the Bulgarian population from Parcani village and representatives of the Bulgarian population from the South of Moldova.

Deputy Foreign Minister Seeks Improved Ties With West

AU1007201093 Chisinau BASAPRESS in English 1714 GMT 9 Jul 93

[Text] Chisinau, BASAPRESS, 9/7/1993—Moldova is looking for its world place in the context of domination by great powers and regional groups. It tries to create favorable conditions for security and economic prosperity. However, due to the difficult economic situation the republic cannot afford to finance the development of a foreign policy to the required level, stated Ion Botnaru, the deputy of the minister of foreign affairs from Moldova in his interview released for Valeriy Demidetski, the special correspondent of ITAR-TASS in Chisinau and which was published in the weekly of Social Democratic Party from Moldova REPUBLIC. Mentioning that Moldova already has fruitful diplomatic relations with many Western countries like the U.S.A., Germany, Italy and France, Bornaru stated the Government has faced the same situation for the past three years where approximately 90 percent of the national industry is oriented towards the market of the former USSR. This situation is serious because any country must possess possibilities for maneuver if world preferences have changed. "We are not intending to orient all our economy to the West. But it's necessary to cancel our dependence from the East by improving relations with the West," added the cited source. Referring to the fact that Parliament of the republic hasn't yet approved of Moldova joining the CIS the deputy of the minister of foreign affairs expressed that the unclear position of the legislative body is caused by the unstable character of the community which is unpredictable.

Minister, Ukrainian Envoy on Information Exchange

AU0907163793 Chisinau BASAPRESS in English 1731 GMT 8 Jul 93

[Text] Chisianu, BASAPRESS, 8/7/1993—Vitaliy Boyko, Ukrainian Ambassador to Chisinau, met today Ion Casian, Moldovan Minister of Information, Informatics and Communications. The meeting concerned the exchanged of information between the two states, especially in the regard to printed materials. Opportunities for Ukrainian people living in Moldova, to receive television and radio programmes from Ukraine were also mentioned. Mr. Ion Casian presented the situation and the manner in which the agreement signed between Moldova and Ukraine this March was fulfilled. He stressed that these questions were already being solved. "We shall contribute to the fulfillment of the agreements signed between Moldova and Ukraine by pushing the corresponding ministries from Kiev. This will let Moldovans receive reliable information about Ukraine, from a first source", stated Vitaliy Boyko to the BASA reporter.

Snegur Expected To Meet Romania's Iliescu

LD1007102893 Moscow ITAR-TASS in English 0933 GMT 10 Jul 93

[By ITAR-TASS correspondent Fedor Angeliy]

[Text] Chisinau July 10 TASS—President of Moldova Mircea Snegur and his Romanian counterpart Ion Iliescu will have a meeting in the second half of July, approximately on July 17, the ITAR-TASS correspondent learned from reliable sources. According to experts, one of the main themes of the talks will be a discussion of a bilateral agreement between Moldova and Romania.

Regulations Changed To Stimulate Exports

LD1007111193 Moscow ITAR-TASS World Service in Russian 0624 GMT 10 Jul 93

[By MOLDOVA-PRES correspondent for TASS]

[Text] Chisinau, 10 Jul—Regulations for the import and export of goods from the republic have been altered in Moldova. The aim of the change is to stimulate exports, making licenses equally accessible to producers and brokers. To obtain an export license, both the former and the latter will now have to pay only 0.01 percent of the value of the goods being exported. Exporters have also been granted a right to export their goods not only under one-time licenses, but also under general licenses that can be issued by mayors' offices and rayon executive committees—naturally, within the boundaries of their responsibility.

Kazakhstan

Blockade of Russian Correspondents' Office Ends

LD0907191393 Moscow Russian Television Network in Russian 1000 GMT 9 Jul 93

[By A. Svyazin; from the "Vesti" newscast]

[Text] After a six-week blockade, our correspondents' office in Kazakhstan resumed work today. Those responsible for squeezing out the correspondents for political reasons will be identified by the Procurator General's office, but we already cherish the hope that Kazakhstan will display its devotion to democracy—and not just in words.

[Svyazin] Kazakhstan's independent press is not living through the best of times today. Although over 800 media outlets are registered and are operational in the republic, they are, on the one hand, beset by the common problem of lack of paper, equipment, and qualified staff. On the other hand, concern is being generated by the government's policy toward the independent press.

[S. Duvanov, vice president of the TV company "Tvin"-—identified by caption] A new law on television and radio broadcasting is now being prepared in the republic, and the chairman of the state TV and radio company has been appointed chairman of the commission drafting that law. So it would seem that the law may also turn out to be a noose for the media's neck.

Radio Link to Moscow Resumes

LD1007201093 Moscow Radio Rossii Network in Russian 1900 GMT 10 Jul 93

[Text] Our bureau in Kazakhstan has resumed operations after being blockaded for about six weeks. The ban on transmissions to Moscow was decreed by the authorities following a live television link our correspondents held on the Rossiya channel on the subject of Russians in Kazakhstan. The republican procuracy will decide who is guilty of leaning on our bureau for political motives.

But now, a brief report by correspondents Andrey Kondrashov and Aleksandr Svyazin on the current situation in Kazakhstan.

[Unidentified correspondent] Official rebukes of Russia are becoming an almost daily event in Kazakhstan. They take the form of displeasure at the Russian press, which is allegedly waging an anti- Kazakhstan campaign, and accusations that Russia is failing to honor delivery and payment commitments. The latest pretext for high-level annoyance is the refusal by the Russian Government to extend technology credits to Kazakhstan and other CIS states.

This, and also Russia's decision to drop the old-style banknotes, has caused a great deal of noise in the corridors of power here. Until specifically instructed otherwise, in Kazakhstan, banknotes with the great leader's picture will have parity with the new tricolor notes. It is difficult to see what will happens after that. There are a number of enterprises in the republic currently ready to strike over cash shortages.

Kazakhstan resolutely refuses to accept that the ruble, which is in use here, will become the currency unit only of Russia. Therefore, many senior politicians in the republic consider that the introduction of a national currency is simply inevitable. The Kazakhstan Economics Ministry is currently preparing for negotiations with the IMF for credits to back up a Kazakh currency with hard dollars. The Kazakhstan Government is continuing to accuse Russia of pushing it out of the ruble zone. However, some are commenting that any failures or disappointments in Kazakhstan's economy are already traditionally and automatically blamed on Russia. The state-run media actively helps with this. At a recent meeting with Kazakhstan's leaders the media was ordered to adhere to the common ideology of the government and president. Although there are no rallies being held in the republican capital this summer, high-level calls are already being made for authoritarian rule to be imposed.

Against this background of rapidly deteriorating relations with Russia, the anxieties of Kazakhstan's multinational public are becoming increasingly tangible.

Work of ECO Summit, Kazakh Proposals Summarized

LD1007110193 Almaty Kazakh Radio Network in Kazakh 0100 GMT 10 Jul 93

[Text] As has already been reported, a second meeting of heads of states of members of the Economic Cooperation Organization [ECO] took place in Istanbul on 5-7 July. Prior to it, preparatory work was carried out by the ministers of foreign affairs, transport, and heads of other departments. Then the meeting of heads of state took place. The delegation from Kazakhstan was led by Prime Minister Sergey Tereshchenko.

During the meeting, a draft agenda for a summit, ECO proceedings, and the budget for 1993-1994 were endorsed. The Council of Ministers agreed to hold in Pakistan at the end of July a conference of deputy foreign ministers of ECO member countries with the participation of experts in order to work out the need for setting up a bank for development and trade, shipping, and insurance companies. The proposal of Kazakhstan on developing the transport system of ECO countries has been circulated among all the delegates through the secretariat of the organization and note was made of it in the progress report of the session of the council of ministers. The report says the ECO is an organization that covers 7 million square kilometers with a population of around 300 million people. It has turned out to be a forum for wide cooperation of fraternal and friendly countries. Now we have a historic opportunity to create a developed economic region by coordinating our efforts. This will help to improve the standard of living in these countries and to make an essential and positive contribution to the world's economy.

German Company To Aid Modernization of Communications

LD1007093693 Almaty Radio Almaty World Service in English 1830 GMT 9 Jul 93

[Text] A leading West European telecommunication company (Deutsche Bundenet Telekom) and the Kazakhstan Communication Ministry have signed an agreement on cooperation. The German communication company is going to help its Kazakh counterpart to build a modern separate communication system in the republic.

Meanwhile, an international automatic telephone station is agreed to be built in (Akhmena) at the end of this year. Citizens in the northern regions of the republic will be able to communicate with practically any place of the globe from their flat or home.

Kyrgyzstan

President Akayev Arrives in Mongolia

LD1007133293 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 2300 GMT 9 Jul 93

[Text] Kyrgyz President Askar Akayev has arrived in Mongolia. It is anticipated that a number of issues of bilateral relations in the field of politics and the economy will be discussed during his stay.

Akayev To Discuss Trade Links With Neighbors

LD1107200793 Moscow Russian Television Network in Russian 1900 GMT 11 Jul 93

[From the "Vesti" newscast]

[Text] To avert economic conflicts which could arise, and already have, following Kyrgyzstan's introduction of its national currency—the som—in May of this year, as you will recall, President Askar Akayev intends to hold a number of meetings with leaders and industrialists from neighboring republics.

These meetings are essential to help with drawing up a specific means of restoring trade and economic links disrupted by the introduction of the the national currency.

Tajikistan

Reportage on Situation on Tajik-Afghan Border

Opposition Steps Up Armed Action

MK1007105093 Moscow NEZAVISIMAYA GAZETA in Russian 10 Jul 93 p 1

[Oleg Panfilov report under "Tajikistan" rubric: "Opposition Onslaught Becomes Reality. Armed Clashes Under Way in Five Districts of the Republic"]

[Text] According to reports from the Tajikistan Salvation Council located in the Afghan Province of Takhor, as well as from independent sources, in the last few days the situation on the Tajik-Afghan border has changed drastically. The assault by opposition forces, launched on 1 and 2 July in the area of the first outpost of the Moskovskiy border guards troops, continues, with the district now controlled by field commanders running more than 20 km deep into Tajikistan's territory. The same situation is unfolding in the area of Shurabad, where opposition forces have occupied mountainous terrain. An assault was also attempted on the border in the area of the Pyandzh border guard unit.

Reports by Tajikistan state new agencies about the defeat of opposition forces surprise the opposition leaders, since reports on losses among Resistance Council combatants are not complemented by the reports of deaths of a substantial number of government armed forces servicemen, Russian border guards, and the amount of incapacitated equipment. At any rate, according to the Council, several days ago 33 soldiers and one officer were captured and taken to Afghan territory, most of them Russian mercenaries from Ufa, Orenburg, Kazakhstan, and Moscow. In clashes in the area of Tavildar two helicopters were shot down and three tanks captured from Lieutenant Colonel Alekseyev's detachment. Fighting continues in the Karategin canyon, in the settlement of Djavoni near the town of Rogun. Opposition forces are still holding the Romit canyon near Dushanbe.

Independent observers in Dushanbe confirm large-scale movements of armored equipment and also panic in the government. The opposition's invigorated efforts could be linked to the unwillingness of the Tajik authorities to resolve the conflict by political methods, and also the numerous instances of terrorism. Thus, in the Dasht-e Sher canyon on the border with Badakhshan, government aircraft destroyed virtually all settlements using the carpet bombing practice known since the Afghan war. Outrage was also aroused by a statement on Kabul TV by Doctor Mirzo Makhmadrizoyev, who was detained in the Afghan camp of Safi (the province of Imam-Sakhib), who confessed that he had poisoned the water delivered to the camp in tanks. As a result of that, more than 120 people died and 200 are now in hospitals in Kabul and Mazar-e Sharif. The former doctor of the Madaniyat collective farm of Tajikistan's Pyandzha District admitted that he was an agent of the Tajikistan special services.

Meanwhile a campaign continues in the republic to perpetuate the memory of the National Front's former leaders: The title of merited artist of Tajikistan was posthumously conferred on Rustam Abdurakhimov, and his name was given to a republic-wide musical contest, while a new recreation facility in Ura-Tyube was named after Sangak Safarov. According to reports from Tajikistan's Russian community, the latest session of the Supreme Soviet failed to approve laws on according Russian the status of a second state language, on ethnic minorities, and on dual citizenship, in spite of earlier promises. Moreover, although the earlier laws on amnesty were confirmed, the republic's special services are actively searching for Russian combatants of the People's Democratic Army formed during the coalition government period.

Border Strengthened

LD1007132493 Moscow ITAR-TASS in English 1312 GMT 10 Jul 93

[By TIA-KHOVAR correspondent Mukhiddin Umarov for TASS]

[Text] Dushanbe July 3 TASS—A quadripartite commission is being created to further strengthen the Tajik-Afghan border and promote the early return home of Tajik refugees. The commission will include representatives of the Russian Federation, Tajikistan, Uzbekistan and the Islamic State of Afghanistan, Tajik leader Imamali Rakhmonov announced today at a meeting of Dushanbe activists. "We shall calm down only after the last refugee returns home and after people's safety is ensured," he said.

About 90 percent of Tajik residents, who fled their native cities and villages some time ago, have already returned home to peaceful work.

More Border Guard Troops Needed

LD1207081893 Moscow ITAR-TASS in English 0758 GMT 12 Jul

[By TIA correspondent Khovar Negmat Ochirov]

[Text] Dushanbe, July 12 (TASS)—The Tajik-Afghan border has become the site of almost incessant shootouts between the Russian borderguards and trespassers.

Armed groups of the Islamic Party of Rebirth consisting of Tajik emigrants to Afganistan were to blame for the most part of the transgressions, Major General Anatoliy Chechulin, commander of the Russian borderguard troops deployed in Tajikistan, said in an interview with "Business I Politika" ("Business and Politics") newspaper on Monday.

According to Chechulin, Afghanistan, Saudi Arabia, Iran and Pakistan have combined their efforts to arm the formations.

"We have an ample supply of means" to repel any blow from the outside, the major general said.

He also pointed out the necessity of forming Tajikistan's own borderguard troops and assured that the Russian borderguards would help the former Soviet republic to accomplish this task.

New Commander for Russian 201st Rifle Division

LD0907172093 Moscow ITAR-TASS World Service in Russian 1112 GMT 9 Jul 93

[By KHOVAR TIA correspondent Igor Akhmedov for TASS]

[Text] Dushanbe, 9 Jul—The Russian 201st Motorized Rifle Division, stationed in Tajikistan, now has a new commander. He is 42-year-old Colonel Viktor Timofeyev, who prior to his appointment to this post by order of the Russian defense minister, was deputy divisional commander in Kaliningrad Oblast.

Major General Mukhriddin Ashurov, the former commander of the 201st Division, has been admitted to the Russian General Staff Academy. He is the first Tajik student admitted.

Rakhmanov Calls For Consolidation, Fruitful Work

LD1007162193 Moscow ITAR-TASS World Service in Russian 1103 GMT 10 Jul 93

[By TIA "Khovar" correspondent Negmat Ochilov for TASS]

[Text] Dushanbe, 10 Jul—Tajikistan can only climb out of its deep economic crisis by consolidating healthy forces in society and by the fruitful work of its citizens. This idea was voiced in Dushanbe today by Supreme Soviet Chairman Imamali Rakhmanov at a meeting of the city's activists, which discussed measures for strengthening state and labor discipline.

The head of state expressed concern that the republic had suffered damage totalling 420 billion rubles as a result of fratricidal war and natural disasters. Friendly countries and the world community are helping the country to overcome its difficulties, but its losses are great, Imamali Rakhmanov stressed. A relatively calm socio-political situation has now been established in the towns and villages of Tajikistan. Restoration work is in full swing in Khatlon oblast where there is great destruction. Imamali Rakhmanov made particular note of the need to make effective use of the national economy's resources and to expand coordination in the operation of industrial enterprises.

Uzbekistan

Natural Gas Supply to Kazakhstan Reduced

LD0707084493 Moscow Mayak Radio Network in Russian 0700 GMT 7 Jul 93

[Text] Uzbekistan has reduced the supply of natural gas to Kazakhstan's Shymkentskaya Oblast to a quarter. The decision was prompted by the fact that the oblast already owes eight billion rubles. After many unsuccessful reminders, Uzbekistan had to introduce this measure to make its neighbor pay up. While the gas supply to public utilities is more or less stable, many industrial enterprises are almost completely deprived of gas and can barely maintain normal production. The heads of city and rayon administrations gathered in Shymkent for a special meeting to discuss the situation. It was decided to find the necessary money to pay the debt as soon as possible.

Currency To Be Introduced 'Next Week'

LD1007100393 Moscow Mayak Radio Network in Russian 0830 GMT 10 Jul 93

[Text] It appears Uzbekistan will introduce its national currency—the sum—next week. Quoting reliable sources, RIA reports that one sum will be exchanged for 200 rubles. The monetary reform will be similar to the reform in post-war Germany and will have a confiscatory nature.

Tashkent Airport Incident Harms U.S.-Uzbek Relations

PM0807153493 Moscow ROSSIYSKAYA GAZETA in Russian 6 Jul 93 First Edition p 7

[Vladimir Berezovskiy report: "Airport Incident Complicates U.S.-Uzbekistan Relations"]

[Text] Tashkent—Relations between the United States and Uzbekistan have been seriously damaged. The reason is an incident at Tashkent international airport. On 25 May customs and national security staffers dealt roughly with Dilbor Yusupova, an employee of the U.S. Embassy in Uzbekistan. She was beaten up and subjected to a two-hour interrogation. Although Yusupova is an Uzbek citizen, the Embassy intervened quite energetically on her behalf, sending a diplomatic note to the Foreign Ministry. There, however, the reaction was rather unusual. An article appeared in the local press signed by S. Inogamov, head of the Foreign Ministry press service, portraying the airport incident in ironic terms. It said that if Yusupova had really been beaten up by professional chekists, she would certainly have been knocked out, whereas all that happened was that they split her lip, broke her arm, and dragged her 15 meters along the ground. And anyway Yusopova was behaving more like an American than a law-abiding citizen of a sovereign state.

The Americans, however, thought it was no laughing matter, and brought up the "heavy artillery." The other day the U.S. State Department lodged a protest. By way of retaliation it has been decided to postpone the visit to Washington by an Uzbek parliamentary delegation headed by Supreme Soviet Chairman Shavkat Yuldashev.

Armenia

CSCE's Raffaelli Talks With Ter-Petrosyan

LD1107221593 Moscow Ostankino Television First Channel Network in Russian 2009 GMT 11 Jul 93

[By unidentified correspondent from Yerevan; from the "Novosti" newscast]

[Text] After a week's delay, Mario Raffaelli, chairman of the Minsk CSCE group, arrived in Yerevan today from Baku. During the first half of the day he met representatives of Armenia's foreign policy department and the State Committee for Defense of the Nagorno-Karabakh Republic [NKR]. The overall situation in the region was discussed as well as the possibility of visiting Karabakh. In the evening Mr. Raffaelli had a conversation with President Ter-Petrosyan, who once again confirmed Armenia's willingness to promote a peaceful settlement of the conflict.

The start of the process of the withdrawal of NKR forces from Kelbadzhar on 15 July will in all probability be a positive result of the visit by the CSCE mission to the region. Measures to de-escalate the conflict will start being implemented from 18 July. Mario Raffaelli will evidently announce a final decision after his working tour ends.

Azerbaijani Prime Minister's Karabakh Trip Viewed

NC1007091893 Yerevan SNARK in English 0858 GMT 10 Jul 93

[Text] Stepanakert, July 10 (SNARK)—The stay of Surat Guseynov, the Azerbaijani prime-minister, at the zone of Karabakh conflict hasn't influenced on fighting efficiency of his Army. SNARK was informed by Department of Information and Press on 9th of July all attempts of the Azerbaijani Army, having aim to break through the Karabakh defensive lines in Askeran direction, didn't succeed. Azeris have been thrown off to their former positions. On opinion of Seyran Oganesyan, the head of Staff of Defense Army of Karabakh the confirmations of Baku sources about the victories of Azerbaijani detachment at this part of front have only the propaganda character. Meanwhile, after yesterday's fighting there is relative quietness since morning of 10th of July. According to the data received by the afternoon the situation hasn't changed.

New Azerbaijani Attacks Halted; Aircraft Shot Down

NC0907172493 Yerevan Radio Yerevan International Service in Armenian 1530 GMT 9 Jul 93

[Text] The tension is not subsiding in Nagorno-Karabakh's border regions with Azerbaijan. The Nagorno-Karabakh Republic [NKR] Defense Army's positions in Askeranskiy and Martuninskiy Rayons came under fierce shelling from various types of weapons, including Grad launchers and large-caliber artillery, from the military bases in Agdamskiy Rayon throughout the evening of 8 July and on the night of 8-9 July.

The border settlements in Gadrutskiy Rayon, Edillu in particular, came under artillery shelling from the military bases in Fizulinskiy Rayon. The shelling caused material damage. Two civilians were killed and five injured.

Following the artillery shelling, the Azerbaijani units launched new attacks against Askeran. These attacks were halted. Both sides have losses.

The Azerbaijani warplanes again appeared in the NKR's airspace. They dropped bombs on the NKR defense forces' positions in Askeranskiy Rayon. The consequences of the raid are being determined. The NKR air defense forces managed to shoot down one Azerbaijani aircraft over Askeranskiy Rayon on 8 July.

The aggressive operations launched by Azerbaijan recently have one aim: to prevent CSCE Minsk Group Chairman Mario Rafaelli from visiting Stepanakert. The Azerbaijani side is ready to resort to anything to propagate anti-Armenian hysteria. This is evinced by the deceitful report on Mayak Radio yesterday by Islam Kuliyev that the children in Azerbaijan's Tauzskiy Rayon are finding booby-trapped toys allegedly planted by neighboring Armenians. It is not worth commenting on this.

The situation on Armenia's borders:

Armenian Defense Ministry Press Service reported that tension is also continuing on the Armenian-Azerbaijani border. Exchanges of fire took place last night in Kapanskiy, Araratskiy, and Tavushskiy Rayons. There were no casualties. By noon today the situation was calm on the Armenian-Azerbaijani border.

As we already reported, the NKR air force shot down an Azerbaijani warplane on 5 July. The aircraft had intruded into the NKR's airspace and attempted to bomb the Lachin humanitarian corridor and Armenian defensive positions. It is now being reported that the remains of the downed aircraft and the half-burned identity card of the pilot were found yesterday. These documents reveal that the pilot, Anatoliy Bessanov, was a resident of Zaporozhye in Ukraine. The documents will add to the wealth of such documents recovered from downed aircraft and helicopters. If we believe occasional press reports, soon this collection may be supplemented by foreign identity cards.

Azerbaijani Actions in Agdam-Askeran Noted

NC0907150493 Yerevan SNARK in English 1435 GMT 9 Jul 93

["Azerbaijani Provocations in the Agdam-Askeran Region Are of Political Aims"—SNARK headline]

[Text] Stepanakert, July 9 (SNARK)—Today Azerbaijan has again started shellings of the Karabakh forces positions in the Askeranskiy region.

Marsel Petrosyan, head of the Karabakh department of press and information, is of the opinion that escalation of military actions from the Agdamskiy region is of political character. As it is known, Mario Rafaelli who is on the intentions to visit Stepanakert is expected to reach it from Agdam.

The Azerbaijani leadership is always creating numerous obstacles not to let the CSCE mission to Stepanakert.

The Azerbaijani propaganda accuses Karabakh of his intentions to capture Agdam, Marsel Petrosyan told SNARK.

Meanwhile, last night Azerbaijan shelled position of Karabakh forces in Gadrutskiy region. There are wounded and killed.

Azerbaijan

Aliyev Interviewed on Political Issues

NC1207103593 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1512 GMT 9 Jul 93

["Text" of an "exclusive" interview with Geydar Aliyev, acting president and Supreme Soviet chairman, by unidentified correspondent in Baku on 9 July—recorded]

[Text] [Correspondent] You arrived in Azerbaijan from Nakhichevan at a very difficult time for us on 9 June. Azerbaijan's people and peoples and governments elsewhere that support Azerbaijan have vested their hopes in you. You arrived in Azerbaijan and had to assume responsibility five times greater than that you already had. You must reactivate the collapsed economy, recreate the mechanisms that have broken up, concern yourself with the people's social problems, and, most importantly, you must try to end the war with victory. You must concern yourself with the future of our republic, which has achieved independence through a democratic process. What have you done and what do you plan to do to achieve your objectives?

[Aliyev] That was a very long question; I don't wish to answer it in detail. You have made me recall that I have been here in Baku for a month now. I have been unable to count the days because of the complex and tense time. Yes, it has been a month since I arrived in Baku from Nakhichevan. Believe me, I have been working in a tense atmosphere for a year, indeed several years, but we have completed a significant amount of work in a month.

The incidents in Azerbaijan in the past month are common knowledge. I don't wish to analyze them. Obviously, every detail will be assessed in the future. I have arrived and I head the Azerbaijan Supreme Soviet in line with the will of the people and the National Assembly. I execute the powers of the republic's president. I fully agree that the economy has collapsed and a serious economic and social situation exists. A violent war is being fought in the republic and a significant part of our territory has been occupied. We have recently encountered unpleasant developments.

Considering this, we have much work to do, but the most urgent problem was the tension in the republic created by the bloody incidents in Ganja on 4 June. That problem had to be solved. The possibility of fratricide had to be blocked. The confrontation had to be removed. We also had to establish some stability in the social and political areas. I can say that we have achieved that. Our greatest achievement was to block any fratricide. The domestic social and political scene is gradually being stabilized. I believe the measures we have taken will achieve their objective and we will maintain our work; that is, if certain forces do not obstruct us and if they stop sabotaging our effort at such a serious time.

The situation on the frontline is common knowledge. With the incidents in Azerbaijan, the Armenian Armed Forces intensified their aggression markedly after 12 June. We obstructed some fire on 28 June, but the Armenians have launched very intensive attacks since 2 July. These attacks continue in Agdamskiy, Fizulinskiy, and Dzhebrailskiy Rayons. They even continue in Kedabekskiy Rayon. Prime Minister Surat Guseynov has been in Ganja in the past few days. He concerns himself with the assembly and successful management of the Armed Forces. You know that several of the occupied towns in the area have been retaken. I believe we will be successful in concerning ourselves with liberating our territory.

We are trying to find a peaceful settlement to the Daghlyk Karabakh problem. We expect a delegation from the Minsk conference to visit Azerbaijan in line with the initiative taken by the CSCE and the United States, Turkey, and Russia. It should have arrived on 5 July, but Mario Raffaelli's mission was postponed. He is expected to arrive in Baku tonight. We have vested our hopes in his visit. We can cease firing to hold talks.

Let me stress that this is very brief. I do not wish to get into details, but we have completed very important work on domestic problems.

[Correspondent] That is what I want to mention. If we have vested our hopes in the mediation effort of foreign countries to find a peaceful solution to the Karabakh problem, we must try to resolve our domestic disputes and confrontations. Can you comment on the steps you plan to take?

[Aliyev] You will recall that I explained the steps I considered when I addressed Parliament on my election as chairman of the Azerbaijan Supreme Soviet on 15 June. In view of the serious situation in the republic, I said that all rumors and disputes must be put aside. Everyone must consider the state and the people's interests, that is, the national interests, above everything else.

Everyone must unite, regardless of their political preferences and whether or not they like each other. We must establish stability in the republic and effect changes in Azerbaijan's economy and social circumstances. We must safeguard Azerbaijan's territorial integrity and liberate its occupied territories.

Undoubtedly, this cannot be achieved by one person or even by five people. Everyone must work to achieve the objectives. Undoubtedly, there are respected people among the population. We have political groups, political parties, and political organizations. They have their own leaders. I urged the entire people, all the political organizations and parties, old officials, intellectuals, and influential people to unite. When they all unite we will solve the serious problems that have fragmented our republic. Later, we will unearth the remaining problems. We will see who likes who and who does not. These are simple things. We will solve all that. Yes, that was my appeal to the people on 15 June. You know that I later reiterated my views in several press conferences and briefings. I also reiterated my views in the National Assembly when the presidential powers were transferred to me on 24 June. I maintain my position. I believe that is the direction we must follow at this serious time in our republic. We must unite all the forces. We must unite.

[Correspondent] Compared with our concept of unity for many years, we now have a more realistic basis for unity.

[Aliyev] Of course, a basis for unity was created. I want to convince you and the people that I am prepared to work in that direction.

[Correspondent] I want to ask you something. I am sorry to say I want to do so. Our national television network broadcast a statement by Etibar Mamedov, the leader of the National Independence Party [NIP], yesterday. Of course, Mamedov's role in the people's movement is known. You have often stressed his zeal and personal ability, but can you comment on his statement at such a serious time. I don't want our viewers to think our television is used as an arena for political intrigue. We only heard one side, that is, we telecast Mamedov's statement yesterday. We want to ask you to comment on that statement.

[Aliyev] Of course, I will be pleased to do so. I very much regret that the republic's television carried the NIP statement. I regret that such a statement was made. It was unnecessary at such a serious time; my views have already been outlined. A serious situation exists in our republic. We must all unite. Why should anyone object to that? They should be ignored and unity must be achieved. All the forces must be united. I do not understand why Mamedov issued such a statement and why the NIP made its decision.

I wish to take this opportunity to say I still respect the NIP. I convey my respects to all NIP members. I believe that party has a place in Azerbaijan's social and political life. I respect that place. Mamedov is the NIP's leader. He also has a place in Azerbaijan's political life. Undoubtedly, he deserves to be respected. I have always respected him. Considering all that, I appealed to everyone to cooperate, including Mamedov. For some time, we maintained close relations in connection with the incidents on 4 July. I urged Mamedov to cooperate, but I believe he has not adopted the right policy on these issues. I don't want to discuss the details. Nevertheless, I want to stress:

Let us recall the developments of the past month. I was elected chairman of the Azerbaijan Supreme Soviet on 15 June. President Abulfaz Elchibey left Baku on the night of 17 June. He left us alone in the arena. You know that. He has been in Keleki since then. The presidential powers were transferred to me at this serious time in accordance with Elchibey's decree and the National Assembly's decision of 24 June. Later, I held talks with People's Deputy Surat Guseynov in Ganja. I invited him to Baku. Our talks continued for three days. We held talks behind closed doors. I have revealed nothing of our talks so as not to harm our general interests. I don't believe any revelations are necessary right now. I only acted in line with the authority transferred to me. In view of that, I believe my talks with Guseynov alone were legally right.

After concluding my talks, I proposed to the National Assembly that Surat Guseynov be appointed Azerbaijan's prime minister. The National Assembly upheld my proposal. Consequently, Guseynov was appointed prime minister on 30 June. A long time has passed, but there were serious problems every day.

I asked Mamedov to cooperate with us on 4 July, that is, after that problem was solved. I wanted Mamedov to have a high-ranking position. That is why I asked him to cooperate. Of course, he could concern himself with his party's affairs. I am the acting president and chairman of the Azerbaijan Supreme Soviet and Surat Guseynov is the prime minister, but we have other very important positions that must be held by respected individuals. We will cooperate with them to solve all our problems.

In view of that, I offered Mamedov several posts on 4 July—the important posts of first deputy prime minister, minister of foreign affairs, chairman of the Azerbaijan Supreme Soviet, and state secretary. I offered them to Mamedov and urged him to respond positively. I urged him to agree to work with us.

We had a very long meeting with him on 4 July. It lasted several hours. Deputy Prime Minister Rasul Guliyev also attended our talks. The people know he and Mamedov are close friends, which is why I believed his attendance would be appropriate. Neither Mamedov nor Guliyev objected, but Mamedov adopted a completely different approach in our talks on 4 July. He said he could accept none of the positions offered to him. As the NIP leader, Mamedov demanded his party have a share in the government. He wanted a share for himself and his party.

I tried to persuade Mamedov that the principle of parties cannot be applied to the sharing of the administration right now. That principle can only be applied when parliamentary elections are held within the framework of the multiparty system. The parties will then have a share in the administration in accordance with the seats they have in parliament. That is a general principle in democracy, but that principle cannot be applied now, because this parliament was elected in 1990. It was not elected on the basis of the multiparty system. The NIP was established long after this parliament was elected. It did not participate in the election in 1990. Consequently, I could not agree to the NIP's demand.

Suppose we agreed to the NIP's demand? What about the other political parties? They would also seek a place for themselves in the administration. In line with what principle could we do that? No such principle exists.

Mamedov said the NIP is the largest and most organized party. I do not object to that view. It could be that the NIP is exactly as he described it, but in accordance with what standard can we establish the strength of the political parties? I don't want to debate the issue. I believe that is unnecessary. No party has the right to take part in the government's structure at this serious time, nor can any make such a demand. So, I informed Mamedov that I, Geydar Aliyev, did not come to Azerbaijan as the representative of any political party. You know that the New Azerbaijan Party elected me as its leader in November 1992, but I have not assumed my responsibilities in accordance with that party's proposal. I was asked at a news conference whether or not I represented a political party. I said I represent no political party. I was invited to receive a position. I agreed to serve in that position as Geydar Aliyev.

I tried to explain to Mamedov that he should talk with me as Etibar Mamedov, not as the leader of a political party. I tried to explain to him that I offered him the posts as a prominent figure in Azerbaijan's political life. But I cannot agree to the application of the principle of political parties.

[Correspondent] For now, you mean?

[Aliyev] Yes, for now. I informed him that the political parties, including the NIP, will contest the election when it is held. Then, it will participate in the government in line with its success. Everyone knows the current president's future is unknown. A decision will be made soon. Mamedov can run as a candidate and seek election as the president if presidential elections are held. I also reminded him that I could offer him the post of chairman of the Azerbaijan Supreme Soviet if he was dissatisfied with the offer on the other positions. I cannot agree to his demands.

[Correspondent] You are an intelligent person. I urge you to continue to express your views.

[Aliyev] You know I want to continue. I am discussing our first meeting. Mamedov said after our lengthy talks that he would agree to take the post of state secretary on condition that the state secretary assume the responsibilities of the foreign affairs and foreign economic relations ministers and that the two ministries are closed. He said the contracts signed with the foreign oil companies should be placed under the state secretary's jurisdiction. Mamedov asked that the state secretary's position be independent. He said he should have independent authority to settle several problems.

I was very surprised by his proposal. I tried to explain that the state secretary already had status in Azerbaijan. I didn't create that status. The president did. The president who was elected later, that is, Elchibey, decided that that status should be maintained. The state secretary's post has its own powers. The state secretary is the head of the apparatus that executes the president's powers. So, if Mamedov wants to concern himself with foreign policy, I can offer him the post of foreign affairs minister. A similar post exists only in the United States, but there the U.S. secretary of state only concerns himself with foreign affairs. He has no other responsibility. So, I found it strange that I should create a new post for Mamedov.

I tried to explain that that was impossible. As the chairman of the Azerbaijan Supreme Soviet and as a deputy, I could not agree to Mamedov's proposal. That would mean establishing a state within a state. I could not agree to that proposal, but he can choose to assume the post of state secretary. He can also choose to serve as foreign minister or first deputy prime minister or chairman of the Azerbaijan Supreme Soviet. He has not agreed to do so. I insisted that he should consider the matter for a few days and said we could meet to talk again. All that took place on the evening of 4 July. I heard on television on 5 July that the NIP council met and debated the issue. It adopted a decision that said: The council considered Geydar Aliyev's belated offer to Etibar Mamedov and decided the talks should be maintained and a final decision adopted later.

We were surprised. Why should our proposal be seen as a belated offer? Why should it be so? You asked about the past month. I have explained several points to you. I solved the problem of the appointment of the prime minister on 30 June. I offered posts to Mamedov on 4 July. Why should that be seen as a belated proposal? My question is meant for the NIP. I was surprised. I told myself they may be young or they may be carried away by emotion. So, I refrained from expressing an opinion. I waited for Mamedov to inform me of his approach. He called me and we met at about 2300 on 7 July. Rasul Guliyev returned from Istanbul shortly after our meeting began. He called me from the airport and said he must brief me urgently on the situation. I invited him to attend our meeting. He briefed me on his visit to Istanbul and then joined our talks. I mean to say I have a witness.

Mamedov maintained his position. He insisted on the party principle. He stressed that principle in the talks we held on 4 July and he reiterated his viewpoint on 7 July. He said he should be given significant powers. He wanted to be authorized to appoint personnel in Baku city, including the heads of the executive authorities. He wanted to be authorized to appoint the heads of the executive authorities in several rayons. Mamedov wanted to work as a party leader, but I explained to him on 4 July that that was impossible. I informed him in our talks on 7 July that that was impossible. I tried very hard to explain to him that we were discussing the possibility of cooperation among Etibar Mamedov, Surat Guseynov, Geydar Aliyev, and others.

I reiterated that I have not assumed my responsibilities as a party representative. Prime Minister Guseynov is not a member of any political party. Nor was he proposed to that post by any party. I said Mamedov should also work as an individual, not as a party member. His party will participate in the parliamentary election and in the presidential election, but we are fighting a war. We must liberate our territory. We must establish domestic stability. The Azerbaijani People's Front has become an opposition force. It has held illegal rallies and threatened to organize armed attacks against us. We must solve all these problems. A confrontation exists. Several armed groups are present in Baku. They are uncontrolled forces. There are armed groups that are affiliated with different forces. They all want to carry out their destructive activities.

I explained to Mamedov that I had no time to concern myself with theoretical issues. Practical work must be carried out to solve the problems. These must be solved. We will have time to consider other issues later. We will hold parliamentary elections. The NIP may dominate parliament when elections are held.

But I have said and I wish to reiterate it now that I support the multiparty system and political pluralism. I do not know how long I will stay in Baku. I will work in that direction as long as I am here, but it is not the right time for that system. Bloody clashes are occurring. People are becoming victims in the clashes every day. There is bloodshed in the battles for towns every day. Our people are being killed so that we can retake our towns. We take our towns back but the Armenians attack and reoccupy them. We then move to liberate them again. We lose many men in the process. Should I sit down and discuss this or that party's share in the administration for several hours at such a time? I have no time for that. I want to explain that to you and to the people through the television network.

I outlined all that to Mamedov on 7 July. I asked him to abandon his views and agree to take one of the posts I offered him. For example, I asked him the following: If you wanted to become prime minister, why don't you agree to serve as first deputy prime minister?

When Elchibey asked me to become chairman of the Azerbaijan Supreme Soviet before 15 June, I was informed that the prime minister's office was offered to Mamedov. Elchibey, who was then president, offered the post to Mamedov, who agreed to serve as prime minister. This was discussed in my presence too. Elchibey offered the post to Mamedov when he met him. Later, we met in Elchibey's residence after I was appointed chairman of the Supreme Soviet on 15 June. Mamedov, Elchibey, and Guliyev attended that meeting. Elchibey raised the issue again. I did not oppose his proposal. The same thing was discussed in Elchibey's office on 17 June. Elchibey offered the post to Mamedov that day. He did not object. But Elchibey left Baku that evening.

I asked Mamedov why he turned down the post of first deputy prime minister when he already agreed to serve as prime minister? I must reiterate that I greatly respect Mamedov's political work. He has an important role in political life, but I must clearly point out that he has no experience in management. I said that to him. The people accused Elchibey and his colleagues of inexperience. Well, Mamedov is also inexperienced. He was a university lecturer. He has also carried out significant political work. But he has not concerned himself with the economy. For example, the foreign minister is not only expected to make speeches. His job is very important and complex. The foreign minister's responsibilities must be studied and learned. Serving as prime minister is no easy task. The person who wants to serve as prime minister should first work as first deputy prime minister and assume the responsibility of supervising various fields. As such, he will gain experience and familiarize himself with the fields he supervises. That will give him an opportunity to become a successful prime minister in future.

[Correspondent] The conclusion I draw from what you explained is that you met Mamedov often. What you discussed is a wide-ranging issue. You have not ended your talks, because of your understanding approach. As far as I can recall, paragraph 3 in the NIP statement says any NIP member may individually participate in the administration, provided the party allows him to do so. That means there is hope for cooperation with that party in future.

[Aliyev] I have explained our talks in detail. The meeting I had with Mamedov ended at 0200 on 8 July. Guliyev attended our talks and informed Mamedov: I ask you as a friend and close colleague to accept Geydar Aliyev's offer. If you do not want to serve as first deputy prime minister, then agree to become foreign minister. That is a very important post. Significant work must be carried out to maintain Azerbaijan's independence. Agree to serve as foreign minister. We will support you in your task.

Mamedov did not agree. I told him before we parted: Etibar, consider the matter again. You will find my door open. It will be kept open for you. Reconsider the matter.

I did not expect them to issue a statement the next day. As far as I am concerned, they should not have rushed things. They should not have been carried away by emotion. Instead, they should have acted cautiously and with understanding at such a serious time. They should have reconsidered the matter.

[Correspondent] The NIP has many supporters. Many people support the NIP's participation in the national liberation movement. Of course, you have vast experience and understanding. The existing difficult situation in Azerbaijan can be removed more quickly if everything is joined together and if the participation of the other forces is secured.

[Aliyev] I will work to achieve that. Believe me, I regard Azerbaijan's national interests, that is, the people's interests and the general interests of the state, above everything else. I respect all the political parties, including the NIP. I believe that the statement they issued yesterday was not carefully considered. They claimed I made a belated offer. I keep calm. I will not allow myself to be carried away by emotion. I want to address Mamedov and the NIP to tell them we must cooperate. I also want to reiterate that we cannot divide the administration by introducing the multiparty system right now. Undoubtedly, individuals will be asked to serve in various posts.

[Correspondent] It will be difficult for Azerbaijan to remove the serious situation if capable people fail to participate in [words indistinct].

[Aliyev] You are very right. Everyone must do everything he can in that respect. I want to inform all the citizens that I will do everything I can to unite all the forces. The ability of every individual must be successfully employed to remove the serious situation in the republic. I maintain optimism and I believe Mamedov will reconsider the offer. I informed him when we parted early on 8 July that I would keep my door open. He can walk through that door if he wants.

[Correspondent] Does that only apply to Mamedov?

[Aliyev] No, it also applies to all the valuable people like Mamedov. They can all walk through that door. You must not doubt my sincerity on that. When someone acts unjustly or makes the wrong decision, I try to maintain an approach that makes them realize their mistake.

[Correspondent] That is a noble and forgiving approach.

[Aliyev] No, I do not claim to maintain a noble approach. What I have said is based on experience. I regard myself as a simple person, but I have lived long and gained significant experience.

I wish to say a few more words through the television network. I have received reports that the Azerbaijani People's Front will hold a meeting on 10 July. I have also received reports that it will use armed units. I want to tell the people that the state of emergency regime has banned demonstrations. But Elchibey has grossly violated the decree he issued as president. The Azerbaijani People's Front has held several meetings during the past few days. It seems to want to continue to do so. I want to urge the Front to refrain from taking such steps. If they wish to defend Elchibey, let them appear on television or use other means. Organizing meetings will confuse the people. That is unnecessary. Those who wish to participate in such meetings should go to fight in Karabakh to defend our territory. Those who carry arms in Baku should go to Karabakh to fight our enemy and liberate our territories. There are armed groups in the city apart from those affiliated with that Front. Gathering in the streets and squares in Baku, using arms, and encouraging the people to commit crimes will not encourage the people to respect the Front.

I regret to say that I have also received reports that several NIP members want to attend the meeting on 10 July. These reports may be unfounded. Our citizens should avoid being involved in such activities. I also urge them all to contribute toward the measures we have taken. We have established some stability in the republic and we hope to maintain stability in future. As such, we will concern ourselves more seriously with the work that is required to liberate our occupied territories.

[Correspondent] On behalf of our viewers, I thank you for the time you have spared. Mario Raffaelli will arrive soon and you will have very serious talks with him. We have vested our hopes in the outcome of your talks. We hope you will find a peaceful solution to the Karabakh problem, our most serious problem. It is said that journalists can meet the president once every 100 days, but we hope we will meet again in a few days. We also hope we will see the people, who support you and who wish to restore Azerbaijan's state structure, serving on your side.

[Aliyev] That will happen. I will work to achieve that. Thank you.

CSCE's Raffaelli Arrives in Baku 10 Jul

LD1007134293 Moscow Mayak Radio Network in Russian 1218 GMT 10 Jul 93

[Excerpt] Mario Raffaelli, chairman of the Minsk CSCE conference on the settlement of the conflict in Nagorno-Karabakh, arrived in Baku today at 0800.

At 1400, a meeting started between Geydar Aliyev and Mario Raffaelli at the Azerbaijani Supreme Soviet. It is still going on. Other participants in the meeting include six CSCE military experts; (Vafa Bulu-zade), the republic's state councillor for foreign policy; (Tofik Zulfugarov), an expert on Nagorno-Karabakh in Azerbaijan's Foreign Ministry; Albert Salamov, a deputy foreign minister; and (Namik Akhundov), head of the Supreme Soviet's department for foreign relations.

In his welcoming speech, Geydar Aliyev said the people of Azerbaijan had been awaiting impatiently the arrival of the Italian diplomat and had been pinning great hopes on it, since increased activity by the CSCE mission contributed to the adoption of UN Security Council Resolution No. 822 and established a schedule for the pullout of Armenian forces from the occupied Kelbadzhar rayon. The acting president of the republic said: We were sorry to learn about your visit being postponed; as far as we know, the last time your visit was put off it was because your plane was refused passage through North Asia; anyway, now we are fortunate to have you here, and we can start talks.

The chairman of the Minsk CSCE conference on the settlement of the Nagorno-Karabakh conflict thanked the chairman of Azerbaijan's Supreme Soviet for a warm welcome, stressing that the latest delay of his visit was caused by purely technical reasons. He also said that his previous trip did not materialize for reasons entirely political, owing to reports which, fortunately, turned out to be untrue. [passage omitted]

Meets With Aliyev

LD1007162093 Moscow ITAR-TASS World Service in Russian 1455 GMT 10 Jul 93

[By ITAR-TASS correspondent]

[Text] Baku, 10 Jul— The private meeting between Geydar Aliyev, Azerbaijan's acting president and chairman of the Supreme Soviet, and Mario Raffaelli, chairman of the CSCE Minsk conference on Nagorno-Karabakh, which has just ended, lasted more than two hours. The eminent guest arrived in Baku earlier today accompanied by a group of diplomats.

In a short statement for the press at the end of the meeting, Mario Raffaelli noted that the aim of his visit to the region was to guarantee implementation of the plan to settle the Armenian- Azerbaijani conflict within the framework of the CSCE, which was proposed by nine countries. The plan was accepted by all sides, and all of them, including Yerevan and Nagorno-Karabakh, must implement it, the chairman of the Minsk conference stressed. The diplomat expressed his hope that the implementation of the plan proposed by the nine will make it possible not only to stop hostilities in the region, but also to renew the peaceful process of negotiations and to convene an international conference in Minsk.

Speaking of the results of his meeting with Geydar Aliyev, Mario Raffaelli noted the significance of their conversation. "Aliyev has vast experience, and this makes it possible to render various points of the plan concerning the peaceful process of negotiations more profound," he said.

Mario Raffaelli said he intendsto hold a news conference in Baku upon completion of his mission in the region, after visiting Yerevan, Agdam and Khankendi (Stepanakert). Tomorrow morning he will fly to the Armenian capital, while this evening he is expected to meet Lala-Shovket Gadzhiyeva, the state secretary of Azerbaijan.

Talks to Journalists

NC1007172093 Baku TURAN in English 1657 GMT 10 Jul 93

[Text] Baku, July 10 (TURAN)—Today the meeting between the chairman of SS [Supreme Soviet] of Azerbaijan G. Aliyev acting as the president and the Chairman of CSCE Minsk group Mario Raffaelli took place in Baku.

By the end of the meeting M. Raffaelli told journalists "we have come to achieve a cease-fire, to guarantee a peaceful process in the framework of CSCE and to carry out the calling of the Minsk conference on Nagorno-Karabakh."

As TURAN agency was reported during the talks with G. Aliyev M. Raffaelli offered to return to the "urgent measures schedule", worked out by CSCE Minsk group and start carrying out this plan with one month delay from the primary term, i.e. mid-July.

"Azeri party accepted our suggestion and promised to guarantee its implementation. Now its Armenias turn", Raffaelli said TURAN correspondent. Raffaelli pointed out, that "G. Aliyev has a great experience, that will help to implement CSCE plan on regulating Armenian-Azeri conflict."

Tomorrow morning M. Raffaelli and his escort will leave for Yerevan, and then for Khankendi. After this the delegation of CSCE is to return to Baku and to inform Azeri leadership about Yerevans and Khankendis reaction to the next initiative of CSCE.

Azeri Forces Halt 'Hostilities'

NC1207120393 Baku TURAN in English 1103 GMT 12 Jul 93

[Text] Baku, July 12 (TURAN)—As Defense Ministry of Azerbaijan reported, there are already 3 days as relative quietness established at the battle zone.

As Mario Raffaelli and CSCE working group visit the region, Azeri forces unilaterally halted hostilities with an aim not to aggravate the situation. At the same time Armenian Army takes advantage of the lull for reinforcement and regrouping of their forces to the east and south of Karabakh.

Since July 10 watching posts of Azeri Army observe the passing of the armoured equipment and motor transport columns with reinforcement and ammunition through Lachin. Last night 4 tanks and 11 military trucks more passed from Armenia to Karabakh. According to the strategical information Armenian Army is getting ready to aggravate the situation around Agdam and in the vicinity of region center Terter, that is to the north-east of Karabakh again.

The new facts of the crimes. committed by the Armenian occupants at the Azeri land became known. July 5 in the Suborbian village Akhmedabad of Agdam, seized by

Armenians, they shot down 20 mentally deranged people from the hospital for mental diseases, that were not managed to be evacuated in time. Situated there. Most of the patients were managed to take out.

Fighting Abates During Visit

NC1107170193 Baku ASSA-IRADA in English 1454 GMT 11 Jul 93

[Text] Baku 11.07.93 (ASSA-IRADA)—After the fierce fights of the recent days military hostilities have come down in war areas yesterday and today. The situation around Agdam has not changed. It could be explained by the visit of delegation headed by Mr. Raffaelli to war areas, ASSA-IRADA was reported by MOD [Ministry of Defense]. The Armenian Army is delivering additional forces, armed-units and weapons to war areas using temporary peace set up due to the visit of mission with peacewill [as received] to battle areas. It is already 2nd day our observation posts of Azeri Army observed several long caravans of trucks consisted of armed-vehicles and military lorries passing through Lachin Highway. Battles around the posts in village Gushchular in Jabrail Province continued through all day. At the same time villages Sur and Gishlag were shelled from different weapons. Last night the situation around our north-west borders have become very tense, starting midnight villages Alibeyli and Hajali of Tovuz Province have been under heavy fire from Armenian side. After the artillery attack Armenian infantry troops took offensive on this villages. The enemy has been repulsed. The villages of Hajali of Tovuz Province, village Kohne-Gishlag of Agstafa Province have been shelled till the morning. Losses and damages in Alibeyli village are reported.

People's Front Rally Supports Elchibey

NC1007172293 Baku TURAN in English 1657 GMT 10 Jul 93

[Text] Baku, July 10 (TURAN)—Today at 6 p.m. a rally of PFA [Azerbaijani People's Front] supporters started in Baku. About 5,000 people gathered in front of the headquarters of PFA.

The former chairman of SS [Supreme Soviet] of Azerbaijan Isa Kamberov, the former minister of foreign affairs Tofik Gasymov and the other members of PFA take part in the rally.

The speakers demanded to abolish anti-constitutional decree of Milli Mejlis from June 24 of stripping A. Elchibey of his powers.

At the same time, the participants of the rally demanded the authorities to create the necessary conditions for safe return of Elchibey to Baku.

Unlike last time, the police don't obstacle holding a rally.

Further on Rally in Baku

LD1107111293 Moscow Russian Television Network in Russian 1000 GMT 11 Jul 93

[From the "Vesti" newscast]

[Text] Despite the calls by Geydar Aliyev for a boycott of demonstrations, declared illegal under the terms of the state of emergency, supporters of President Abulfaz Elchibey today held a rally in the very center of Baku. The police have not tried to prevent people from participating. The demonstrators called on all democratic forces in the republic to unite around Abulfaz Elchibey, RIA reports.

The TURAN agency reports that at yesterday's Azerbaijan People's Front rally, National Assembly member Ibragim Ibragimov said the assembly of NATO member countries in Brussels, the CSCE and a number of high-ranking individuals in European countries recognise only the authority of Elchibey. According to Ibragimov, the present authorities are deliberately delaying the deputies' investigation into events in Ganja, because the investigation shows that the president is not responsible for the bloody development of events. Publication of the commission's conclusions will make the return of Elchibey to Baku inevitable. The usurpers of power oppose this, Ibragimov stressed.

Elchibey Decree Postpones Transfer of Power

NC1007125293 Baku TURAN in English 1216 GMT 10 Jul 93

[Text] Baku, July 10 (TURAN)—Azerbaijani President Abulfaz Elchibey signed the decree postponing his former decree from June 24 "on transferring part of authorities of president of Azerbaijan republic to the chairman of Supreme Soviet."

This president's decision in decree is motivated by the attempts of the Chairman of Supreme Soviet Geydar Aliyev to give constitutional character to military coup and legitimacy to taken place transfer of presidential powers to the chairman of Supreme Soviet.

President again declared, that he was forced to flee Baku and to leave June 18 for Ordubad region of Nakhichevan after started military uprising in Ganja in order to avoid bloodshed in the capital.

Elchibey also pointed, issued June 24 decree "on temporary transferring part of powers to the chairman of SS" [Supreme Soviet] he tried to relieve the situation that way.

President expressed his regret, that under the pressure of political and military opposition after the step of good will, Milli Mejlis accepted anti-constitutional decision to strip him of all his authorities and completed that way military coup by parliamentary uprising.

In line with 121-7 Article of Constitution of Azerbaijan, president can be stripped of all his powers only in case of violation of constitution. But up to now, committee of inquiry has not made official statement on occasion of Ganja developments.

As TURAN agency was reported, new Elchibey's decree followed after his phone talk with the chairman of committee of inquiry Matlab Mutalimov. According to some information, results of inquiry can not prove President Elchibey's guilt.

Armed Forces Command Issues Appeal

NC0907191793 Baku Radio Baku Network in Azeri 1700 GMT 9 Jul 93

["Text" of appeal by the Azerbaijan Armed Forces Command on 9 July]

[Text] Esteemed fellow countrymen, our homeland's future is threatened. The enemy forces, which have not been stopped in time, have become more ferocious and moved to occupy a greater part of our territory. Hundreds of [words indistinct] have been destroyed and hundreds of our citizens, including women and children, have been taken hostage during the past few years. The future of thousands of innocent people has been threatened. Many of our kinsmen have been forced to leave their homes. They are now living under miserable conditions in various parts of the Republic. Azerbaijan has been turned into a bloodbath and there are tears everywhere.

The sons of our homeland must fight until the last drop of their blood is shed in order to save our country. There is no other alternative.

Considering the grave situation, deserting the battle positions and fleeing from the enemy will bring [words indistinct]. Those who avoid military service or who desert from their units will be punished in accordance with the most severe laws which apply in a state of war.

Esteemed fellow countrymen, considering the rather difficult situation, the Azerbaijan Armed Forces Command [words indistinct] and urge the forces, which worry over Azerbaijan's future and which are prepared to use the opportunities at their disposal to repel the enemy, to unite.

The homeland expects us to work together with [words indistinct] at such a grave time to bring victory closer. We must all be wherever we are needed most. Our [word indistinct] and sisters must serve in the rear lines.

An economically weak country cannot have a strong army. People who underestimate the strength of their army will remain under enemy [word indistinct]. We must not allow that to happen.

Therefore, we hope that all the steadfast forces and the people who lament our homeland's situation will abandon their personal ambitions and [words indistinct]. We must all be united by the sacred objective, that is, saving Azerbaijan's future. It is time to end the political fragmentation [words indistinct].

Aliyev, Gumbatov Discuss 'Talysh-Mugan Republic'

NC1107111693 Baku ASSA-IRADA in English 1050 GMT 11 Jul 93

[Text] Baku, 11.07.93 (ASSA-IRADA)—Azerbaijan is preoccupied with complicated war problems, rectifying mistakes in building of state and attaining later perfection of it.

Alikram Gumbatov, chief of the executive authority of Lenkoran Province, said to correspondents that he did not consider the opinion of people living in this area before declaring by radio the creation of so-called Talysh-Mugan Republic. He was received by Geydar Aliyev acting president speaker of the parliament yesterday at night. "It goes without saying that we will consider it in future", said Gumbatov, "and for sure we'll ask the people whether they want creation of such kind of autonomy". (ASSA-IRADA: Talysh- Mugan Republic is not registered in Azerbaijan as administrative formation.) Later A. Gumbatov said that the decree on holding municipal election in the nearest future (after 35-40 days) has been accepted at the last session of Lenkoran Province Council. According to a view of Gumbatov, Milli Mejlis cannot meet the demand of all electorate of Azerbaijan. Only Supreme Soviet can and should execute this mission.

I think, he said that laws accepted by Milli Mejlis before should be considered by Supreme Soviet. G. Aliyev noted that a lot of mistakes were made in building of state, also war continues at the territory of Azerbaijan now. A. Gumbatov said to correspondents that his and Aliyev's views coincide in many economic, political, social matters and problems in military building.

State Secretary Cited on Accepting Tasks

LD1007210093 Moscow ITAR-TASS World Service in Russian 1615 GMT 10 Jul 93

[By ITAR-TASS correspondents Sevindzh Abdullayeva and Viktor Shulman]

[Text] Baku, 10 Jul (ITAR-TASS)—Lala-Shovket Gadzhiyeva regards her acceptance of the post of Azerbaijan's state secretary in these exceedingly difficult times for this Transcaucasian republic as a risky, but at the same time responsible step. "I made it consciously, for the sake of the national interests of the Azerbaijani people," she said today in an interview to ITAR-TASS correspondents.

The new state secretary describes the current situation in Azerbaijan as a "series of crises". In her view, an extremely difficult situation has arisen in the military domain, as well as in the political, economic, and social spheres. One can only let "the illness" develop unchecked to the extent the previous authorities "managed" to do, if one "has no love for one's own people", the 42- year-old doctor of medicine believes.

She regards the present level of Azerbaijan's foreign economic ties as a serious miscalculation on the part of the republic's previous leadership. She noted that most of the technologies bought over the past year from foreign partners turned out to be morally obsolete. The state secretary avoided giving a direct answer about the fate of oil contracts with foreign firms—the Azeri Government had earlier postponed the signing of these contracts. She just noted that in 1913 Tsarist Russia supplied the European market with 50 percent of its oil products, which at the time were produced only in Baku, and yet was not selling a single liter of crude oil, regarding this as unprofitable.

At the same time Lala Gadzhiyeva is certain that the situation in Azerbaijan is not hopeless and that it can and must be rectified. She thinks that Geydar Aliyev, who is currently the republic's acting president, is "a wise and experienced politician", able to steer the country out of the crisis. As for her own role in the process, she does not intend "to overstep" her "powers, whose foundations were worked out as a concept under President Elchibey." She stressed that these powers were quite sufficient to solve the the country's vital problems in a speedy and responsible manner.

Local Officials Suspend Work To Protest Aliyev Powers

LD1007100293 Moscow Mayak Radio Network in Russian 0830 GMT 10 Jul 93

[Text] More than 50 heads of executive power in various rayons and towns in Azerbaijan have suspended their duties in protest of the decision by the National Assembly to hand over presidential powers to parliament speaker Geydar Aliyev. Announcing this to a HABER-SERVIS correspondent, (Khakimov), deputy chairman of the People's Front executive committee, said this action has also been supported by 14 members of government.

First Direct Flight Between Tabriz, Baku Inaugurated

LD1007121093 Tehran IRNA in English 1151 GMT 10 Jul 93

[Text] Baku, July 10, IRNA—The first Iranian passenger plane from the northwestern Iranian city of Tabriz landed here at 18:30 local time (14:30 GMT) Friday [9 July].

The Tabriz-Baku flight is scheduled to arrive here every Friday and return one hour later. The Islamic Republic Airlines has already established a regular return flight between Tehran and Baku which takes place every Monday.

Managing Director of the Civil Aviation Organization Hasan Shafti speaking at the inauguration ceremony of Tabriz-Baku airline, said a plan was underway to increase direct flights between Iran and the newly-independent republics of the former Soviet Union.

The Tabriz-Baku flight is the third Iranian direct flight to the Central Asian Republics, Shafti said adding that Tehran-Dushanbe flight will open in a near future.

He also said Tehran-Tashkent flight was likely to start by the end of the current Iranian year.

State Secretary, Turkish Envoy Discuss Economic Cooperation

LD1007162393 Moscow ITAR-TASS World Service in Russian 1511 GMT 10 Jul 93

[By AZERTAJ correspondent Gyulnara Rzayeva for TASS]

[Text] Baku, 10 Jul (ITAR-TASS)—The need for further all- round development of relations between Azerbaijan and Turkey and for closer cooperation between the two states in economic issues was discussed at a meeting in Baku today between Lala-Shovket Gadzhiyeva, the republic's state secretary, and Altan Karamanoglu, Turkey's ambassador in Azerbaijan. It was stated at the meeting that Turkey, as Azerbaijan's historical neighbor, must play an active part in the implementation of economic reforms in Azerbaijan.

Georgia

Fighting Continues on Gumista Front Line 9 Jul

LD0907160493 Moscow ITAR-TASS in English 1544 GMT 9 Jul 93

[By ITAR-TASS correspondent Irina Schegoleva]

[Text] Sochi July 9 TASS—Georgian and Abkhazian sources report on continuing fighting in the Gumista front line.

The press service of the Abkhazian parliament informed that as a result of fighting north of Sukhumi Abkhazian armed formations had taken the settlement of Guma under their control.

According to reports received from the press centre of Georgian troops stationed in Abkhazia, last night Abkhazian armed formations made an attempt to seize the strategically important height of Tsugurovka, but the attack was rebuffed. The Georgian source said that the Abkhazian side continues concentrating its troops and weapons all along the Gumista front line.

According to the Georgian source, on Thursday night Sukhumi was shelled from howitzers and Grad rocket launchers. Fire was opened at a residence of Georgian leader Eduard Shevarnadze, the Georgian source said. Abkhazian sources, in turn, reported that the city of Novy Afon was shelled from Georgian artillery guns.

Georgian and Abkhazian sources reported on continuing fighting in the eastern front and Abkhazia. According to the press centre of Georgian troops, on Thursday night Abkhazian coastal guards rebuffed another Abkhazian attempt to land troops in the Ochamchir region. The press service of the Abkhazian parliament reported on heavy fighting to get control over a section of the Sukhumi-Ochamchir highway controlled by Abkhazian troops.

Georgian Forces Down 'Warplane'

LD1007121693 Moscow ITAR-TASS in English 1156 GMT 10 Jul 93

[By ITAR-TASS correspondent Irina Shchegoleva]

[Text] Sochi July 10 TASS—The press centre of Georgian troops deployed in Abkhazia reports that there were no changes at the Gumista front overnight. According to the press centre, Abkhazian troops tried to mount an attack near the village of Tsugurovka in the Shroma-Akhalsheni direction, but the attack was rebuffed.

The Georgian side reports that a Su-25 warplane without identification markings started firing on the Georgian positions in the Shorma-Akhalsheni direction on Friday at 17:55.

Georgian anti-aircraft forces downed the plane. The Abkhazian side again tried to land its troops in the area of Sukhumi from the sea at night. The attempt was thwarted by Georgian artillery. Sukhumi was again shelled overnight.

The press centre reports that Georgian troops seized the village of Tamysh in the eastern direction and now fully control the Sukhumi-Ochamchira highway.

Government Claims Success in Tamysh 10 Jul

LD1007143493 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 10 Jul 93

[Text] Mr. Soso Margishvili of the press center of the Georgian Armed Forces in Abkhazia reported to CONTACT NEWS AGENCY at 1500 that an operation aimed to liberate Tamysh village and the adjacent area of Sukhumi-Ochamchira highway was completed by noon today. They are now mopping up the small, surviving enemy bands in the adjacent areas.

This operation was carried out by the Ochamchire unit and detachments of the 1st Army Corps. A part of these forces moved in the direction of Sukhumi. They are led by General Zaur Uchadze and Loti Kobalia. Some of the subunits have already entered Sukhumi.

At the same time, the situation remains complicated in the areas of Shroma and Akhalsheni where the opposing side is trying to break through our defenses and carry out a encircling maneuver around Sukhumi. Seeking to acheive this, they launched a heavy attack at Shroma in the morning and achieved a certain success at first. They managed to capture the outskirts of the village, but for a short time only. As a result of the counterattacks of the Georgian Armed Forces, the opposing side suffered heavy losses and retreated. At present fighting is continuing in the areas near Shroma.

Abkhaz Forces Approach Sukhumi City Limits

LD1007183393 Moscow ITAR-TASS World Service in Russian 1727 GMT 10 Jul 93

[By ITAR-TASS correspondent Irina Shchegoleva]

[Text] Sochi, 10 Jul (ITAR-TASS)—An evening report from the Abkhazian Defense Ministry gives evidence that the Abkhazian forces have approached the city limits of Sukhumi. According to information obtained by an ITAR-TASS correspondent from the press service of the Supreme Soviet of Abkhazia, the Abkhazian formations have dug in in the village of Shroma and are still fighting in the region of Tsugurovka populated area.

At the same time, the staff of the press center of the Georgian forces deployed in Abkhazia have revealed that the village of Shroma is still being held by the Georgian forces and that fighting is taking place in the region of Akhalsheni village.

The press center has also that revealed additional Georgian forces led by the commander of the 2d Army Corps, Major General Zaur Uchadze, and detachments led by Loti Kobalia, subordinate to Zviad Gamsakhurdia, have entered Sukhumi. According to the press center of the Georgian forces, these formations will take part in defending Sukhumi against from the Abkhazian armed formations. The same source says that at 2000 on 10 July the Abkhazian artillery began another round of shelling Sukhumi.

Conflicting reports have also been received from Georgian and Abkhazian sources about the situation on the eastern front. According to the Abkhazian Defense Ministry, an assault force which landed in Ochamchire rayon on 2 July has fulfilled its task and has knocked out of action road and rail communications connecting Sukhumi with the other regions of Georgia which were used to deliver ammunition and equipment for the Georgian army. In turn, the press center of the Georgian forces reports that the road from Ochamchira to Sukhumi is fully open and that humanitarian freight is being delivered along this road.

Sukhumi Shelled 11 Jul

LD1107082493 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 11 Jul 93

[Text] This morning we got in touch with Sukhumi by telephone and Mr. Gocha Ablotia from the Georgian Armed Forces' press center in Abkhazia informed us there had been fierce fighting throughout the night in the direction of Shroma and Akhalsheni. Earlier last night Georgian servicemen captured yet another tank and a combat infantry vehicle.

At night, six naval motor boats approached Sukhumi from the sea and opened fire on the town. Our coast guards retaliated with artillery fire and sank two of the motor boats; the others sailed away toward Gudauta.

At 0600 this morning, the opposing side began concentrated shelling of Sukhumi from Grad-type launchers. The shelling continued for two hours. Over 150 propelled shells exploded in various parts of the town, causing heavy damage. The scale of the damage is being assessed.

Meanwhile, the elimination of small groups that survived from the assault landing group is continuing in the Ochamchire region.

Fighting on Approaches to Sukhumi

LD1107101893 Moscow ITAR-TASS in English 0956 GMT 11 Jul 93

[By ITAR-TASS correspondent Irina Shchegoleva]

[Text] Sochi July 11 TASS—Fierce meeting engagements continued on Sunday [11 July] morning in the area of Shroma village, taken by Abkhazian armed forces on Saturday, on the approaches to Sukhumi, a spokesman at the press centre of the Abkhazian Defence Ministry told ITAR-TASS on the strength of a report from Gudauta.

According to the same source, on Saturday the Georgian side launched several counterattacks to regain the village. The counter attacks were repulsed. Georgian troops lost up to 150 men killed or wounded. The Abkhazian side also sustained losses. However, notwithstanding that the Abkhazian armed forces continue to fight their way, advancing towards Sukhumi, the Abkhazian Defence Ministry's press centre reported.

In the eastern sector, Abkhazian armed forces hinder the rehabilitation of railway and automobile bridges, demolished by a landing party, on communications linking Sukhumi with Georgia. The Georgian side, in its turn, is intensively shelling populated areas in Abkhazia's Ochamchira district.

Sukhumi Fighting Detailed

LD1107224393 Tbilisi Radio Tbilisi Network in Georgian 1950 GMT 11 Jul 93

[Excerpts] At 0600 today the opposing side opened intensive fire on the town of Sukhumi. [passage omitted]

At 1700 the Abkhaz separatists again shelled Sukhumi from Grad installations. Fierce fighting has been going on in the Shroma-Akhalsheni direction all day.

The Russian Television Sunday news program "Itogi" has alleged that the Abkhaz separatists have taken control of Shroma and Akhalsheni. To clarify the situation we contacted the press center of the Georgian Armed Forces headquarters in Abkhazia and were told by Gocha Ablutia that this allegation was wrong. It was another piece of misinformation which had nothing to do with reality.

The same program, "Itogi," reported that on Tuesday, 13 July, Russian Foreign Minister Andrey Kozyrev was to arrive in the town of Sochi to hold talks on the Georgian-Abkhazian conflict. We would like to remind our listeners that on the same day, 13 July, a mission of UN representatives arrives in Tbilisi from Vienna to study the conflict in Abkhazia on the spot.

Government Official Says Gudauta Forces 'Exhausted'

LD1007144893 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 10 Jul 93

[Text] The Gudauta forces are exhausted, Tamaz Nadareishvili, chairman of the defense council and council of ministers of the Abkhazian Autonomous Republic, said at a meeting with journalists today. He said Russia turned away from them and they cannot get replenishments. Unfortunately, separatists in this state of agony show extreme brutality.

Our forces have put forward an ultimatum to the units of the opposite side fighting in the Shroma area: Lay down your arms and surrender and your lives will be out of danger.

Tamaz Nadareishvili familiarized journalists with information about the situation along the Psou and on the coast. He added that the Gudauta group was infuriated by information that the Russian side has blocked the Russian-Georgian border. Equipment and manpower is no longer crossing the border.

Tamaz Nadareishvili said it is quiet in Sukhumi today. There has been no shelling from Gumista. As Tamaz Nadareishvili said, fighting is going on in the Shroma area. As for the Ochamchira operation, it has been completed.

Shevardnadze Aide on 'Escalation of Hostilities'

LD1007161293 Moscow ITAR-TASS World Service in Russian 1510 GMT 10 Jul 93

[By GIA-TASS correspondent]

[Text] Tbilisi, 10 Jul—Aleksandr Kavsadze, personal representative of the head of the state of Georgia, has made a statement saying that "while talks are being held through Russian mediation on a cease-fire in Abkhazia and on a mechanism for monitoring its observance, the escalation of hostilities continues. The barbaric bombardment of the town of Sukhumi continues every day. The number of victims among the civilian population is rising, and the town has been turned into ruins."

"The Gudauta side at the talks is proposing blatantly unacceptable conditions and is doing everything to frustrate the signing of an agreement," the statement says. "Today, when the sides finally agreed to all points in the current agreement and when it was ready for signing, the Gudauta side this time demanded the inclusion of—as a separate point—a provision on the functioning of the legitimate authorities throughout the territory of Abkhazia. While not objecting in principle to examining this provision, the delegation of the Republic of Georgia drew the attention of the Gudauta side to the fact that this issue should be the subject of discussion during the elaboration of an agreement on a full-scale settlement to the conflict in Abkhazia, at the next stage of the talks."

Kavsadze sees the line taken by the opposing side as an attempt to drag out the talks, "using them as a screen for distracting public attention from their aggressive intentions."

Chechen Volunteers Reportedly Help in Abkhazia

LD0907210393 Moscow Ostankino Television First Channel Network in Russian 2000 GMT 9 Jul 93

[From the "Novosti" newscast]

[Text] The UN Security Council has decided to send 50 military observers to Georgia as soon as a cease-fire is reached. At the same time, fighting is continuing in Abkhazia on all fronts and according to a Chechen press report, a new group of volunteers from Chechnya, numbering 1,200 men, has arrived there. Georgian sources report that Abkhazian forces shot down a Georgian helicopter with refugees on board. All passengers and crew members were killed.

'Mercenaries' Said Receiving Training at Adygensk Camp

LD1107220493 Tbilisi Radio Tbilisi Network in Georgian 1950 GMT 11 Jul 93

[Text] Our correspondent has been told by the Information and Intelligence Service, which cited reliable sources, that a special purpose [spetsnaz] camp is situated in the town of Adygensk, 40-50 km from Maykop, the capital of Adygeya. The camp is a training site for mercenaries who will be sent to Abkhazia. The Information and Intelligence Service of Georgia said that according to Georgian border guards, the Russian border is sealed from the Georgian side. Only some footpaths along the Caucasus mountain range are not yet properly controlled.

Estonia

Foreign Ministry Demands Russian Troop Withdrawal

WS0907111493 Tallinn BNS in English 0909 GMT 9 Jul 93

[Text] Tallinn, July 08, BNS—Estonia once again called on Russia to get its troops out of the Baltics "rapidly and unconditionally," according to the regulations in the Helsinki Document of 1992.

In a statement issued by the Estonian Foreign Ministry Thursday [8 July] Estonia appealed to Russia's good will and its international obligation to remove its troops.

The Foreign Ministry pointed to the one-year anniversary of the Helsinki Document in which Russia agreed to an "early" troop withdrawal.

Although the number of troops in Estonia has been reduced in the last year, says the ministry, "Russian authorities have not shown any initiative to complete the withdrawal of the over 7,000 key military personnel still present on Estonian territory.

"It is, therefore, clear that the Russian Federation has not complied with any aspect of the 'early, orderly and complete' withdrawal requirement," said the statement.

The ministry points out that, rather than withdrawing the troops, the Russian Army held a military exercise in June that focused on capturing strategic facilities in the Baltics.

Included in those practices was a motorized infantry division from Tallinn, "located less than two kilometers from the seat of the Estonian Government," said the ministry.

The ministry also called attention to the Russian military's new practice of recruiting non-citizens living in Estonia. "Such activity is not in compliance with international norms and could lead to an increase in the number of weapons in the hands of civilians," it said.

The statement reiterated comments from the United States and the United Nations that the Russian presence in Estonia causes instability in the area. It also condemned Russia for placing conditions on the withdrawal.

"Russian attempts to link withdrawal of troops to other issues...violates the letter and the spirit of the Helsinki Final Document," it said.

Government Protests Russian-Narva Officials Meeting

LD0907130193 Tallinn Radio Tallinn Network in Estonian 1200 GMT 9 Jul 93

[Text] Tiit Pruuli, adviser to the prime minister, reports that the following information has become known to the government from reliable sources. On Wednesday, that is 8 July, at 1500 hours, a meeting took place in the town of Kingisepp, in Leningrad Oblast, between Vladimir Chuykin and high officials of the Russian Federation. Present at the meeting were a high official of the Russian Foreign Ministry, a special envoy of the Russian president, officials of the Russian Interior Ministry, border guard, and security officials. The meeting discussed guarantees on the part of Russia toward the carrying out of the referendum in Narva.

In this connection, the Government of the Republic of Estonia protests resolutely against any attempts to interfere in the domestic affairs of the Republic of Estonia.

Laar Comments on Meeting

WS1207113393 Tallinn ETA NEWS BULLETIN in English 0713 GMT 12 Jul 93

[From 10 July RAHVA HAAL, p 1]

[Text] Monday, July 12—Prime Minister Mart Laar held a news conference on Friday [9 July], discussing the situation in Estonia. He announced that the Narva City Council chairman Vladimir Chuykin has met special representative of the Russian President, Russian Foreign Ministry and Security Service representatives to discuss Russian guarantees to the referendum. The Estonian Government had resolutely protested against the Russian interference, Laar announced.

Laar presented a Russian-language leaflet found in Tallinn, calling for armed resistance to "Estonian fascism." He announced that there are no armed subversive groupings in Estonia and added that the government will remind Russia of its obligation not to support movements hostile to Estonia.

The population of Narva is constructively minded while the city council leaders aattempt to increase the tension. Laar referred to the experience of the CSCE High Commissioner Max van der Stoel, who had failed to influence the city council. The government takes the referendum calmly since it is illegal and will not change anything. The necessary result will be guaranteed anyway since the referendum is to last an entire week, Laar added. He once more referred to the fact that foreign investments to Narva depend on peace and stability there.

Laar also announced of his oncoming visit to Israel and another visit to South Korea in September.

Meri Holds Roundtable Meeting on Narva, Sillamae

WS1207112693 Tallinn ETA NEWS BULLETIN in English 0713 GMT 12 Jul 93

[From 12 July RAHVA HAAL, p 1]

[Text] Monday, July 12—President Lennart Meri opened the first Round Table Meeting on Saturday, July 10. Representatives of the Estonian Ethnic Minorities

Association, the Russian Representative Assembly and Estonian political parties were present. The President announced that he expected the Round Table to provide new ideas and constructive recommendations to achieve common aims. Summaries of the meetings are to be submitted to the President. The meetings are to be chaired by all members in turn. Chairperson of the opening meeting was Riigikogu member Merle Krigul ("Fatherland").

The meeting made a statement, expressing its concern with the intended referendum in Narva and Sillamae. It suggested the Narva and Sillamae councils to postpone the referendum until the ruling of the State Court and to announce of their compliance with the ruling. The government was suggested to announce once more that force will not be used to prevent the intended referendums.

The meeting also pointed out that existing local media should be better used to explain the policies of the government and the Riigikogu. The Riigikogu should include representatives of groupings concerned by laws discussed but no represented at the parliament in the debates, the meeting suggested.

The Round Table called for the Estonian and foreign media to display restraint while describing the situation in Estonia.

German President von Weizsacker Arrives for Visit

LD1107140493 Hamburg DPA in German 1257 GMT 11 Jul 93

[Excerpt] Tallinn (DPA)—Federal President Richard von Weizsaecker arrived in Tallinn at noon today on a two-day visit to Estonia. It is the first time Weizsaecker has paid an official visit to the Baltic states. He was invited by President Lennart Meri. The Estonian head of state and senior government representatives cordially welcomed the German guest at the airport. Weizsaecker arrived from Finland, where he held political talks.

Weizsaecker said his visit is intended to "strengthen Estonia's sovereignty and help with the process of rebuilding and reform." In addition, Estonia's path into European institutions should be smoothed, he said. "Estonia belongs to Europe just as we do," Weizsaecker told journalists at the airport.

In Tallinn, formerly Reval, the Federal president will hold talks with Meri about the reform process in the former Soviet republic and the strained relations with its eastern neighbor, Russia. During the first discussions today, Prime Minister Mart Laar is to accompany the two men on a walk through Tallinn's old town. Talks with Tunne Kelam, first deputy speaker of the State Assembly, are also on tomorrow's program.

During a meeting with representatives of the Russian minority, Weizsaecker would like to find out to what extent they feel discriminated against. [passage omitted]

News Conference Planned

WS1207112293 Tallinn ETA NEWS BULLETIN in English 0713 GMT 12 Jul 93

[From 12 July PAEVALEHT, p 1]

[Text] Monday, July 12—Yesterday President of Germany Richard von Weizsaecker arrived in Estonia on an official visit. He was accompanied by his spouse and a high-level delegation. After the ceremony of meeting Mr. Weizsaecker made a round of the Old Town, visited the Institute of German Culture and met with the German citizens living in Estonia.

Today at 11.45 there will be a joint press-conference of the Estonian President Mr. Meri and Mr. Weizsaecker in Toompea. After the talks with Mr. Meri the President of Germany will meet with Tunne Kelam and Trivimi Velliste.

Holds Talks With Meri

LD1207080193 Hamburg DPA in German 0725 GMT 12 Jul 93

[Excerpt] Tallinn (DPA)—Federal President Richard von Weizsaecker was officially received with military honors this morning in the Estonian capital of Tallinn. He continued political talks begun yesterday with President Lennart Meri. Foreign Minister Trivimi Velliste and Juri Luik, minister without portfolio responsible for interstate talks between Estonia and Russia, also attended the welcoming ceremony in front of the presidential palace.

In a talk with German journalists yesterday evening, President Meri accused Russia of failing to adhere to promises made in 1992 about the withdrawal of troops from the Baltics. Following a tour of the old city of Tallinn with Weizsaecker, however, he welcomed a German mediation role in the conflict between Moscow and Estonia concerning the rights of the 500,000 or so Russian minority in the country. The subject of Russian troop withdrawal was again addressed during a small dinner. [passage omitted]

Comments on Russian-Estonian Issues

LD1207095393 Hamburg DPA in German 0836 GMT 12 Jul 93

[Text] Tallinn (DPA)—Federal President Richard von Weizsaecker has urged a speedy withdrawal of Russian troops from Estonia and at the same time a generous resolution of the minority question by Estonia. The withdrawal of the former Soviet military should "be concluded speedily in line with the agreements reached last year within the framework of the CSCE in Helsinki," Weizsaecker said today during a two-day visit in the vicinity of Tallinn, Estonia.

It was agreed among other things under CSCE auspices in Helsinki that Moscow should completely and quickly withdraw its military from the Baltics. An estimated 7,000 soldiers are still stationed in Estonia.

At a luncheon hosted by Estonian President Lennart Meri, Weizsaecker also stressed that the future of the Russian-speaking population in Estonia must be ensured. They comprise around 500,000 to 600,000 people, some of whom have been living in Estonia for decades and have been in fear of discrimination and deportation since independence reached in 1991. A permanent solution calls for political and human generosity on the part of all concerned, Weizsaecker said at Palmse manor house. The restored manor house dating from the 18th century, once owned by the von der Pahlen family, is in the Lahemaa national park, northeast of Tallinn.

During his first official visit to the Baltics, Weizsaecker said relations between the Baltic states and Russia are important for the stability of the whole of Europe. The president, who is accompanied by his wife Marianne, promised his interlocutors, including Prime Minister Mart Laar and Deputy Speaker Tunne Kelam, that Bonn will continue to work to bring Estonia into the EC.

Weizsaecker returns to Germany this evening.

Joint News Conference Held

LD1207105493 Hamburg DPA in German 1020 GMT 12 Jul 93

[Text] Tallinn (DPA)—Estonian President Lennart Meri today called for a new treaty on the withdrawal of the Russian troops still stationed in Estonia. A breakthrough in the tense Estonian- Russian relations is possible only after a treaty stipulating a rapid, secure, and complete withdrawal of the military is signed, he said at a joint news conference with Federal President Richard von Weizsaecker in Tallinn. Russia promised this in 1992 by signing a relevant CSCE document.

Von Weizsaecker supported this demand, adding that no "hidden remainders" must be left behind. At the same time he stressed that the Estonians must allow the various populations in their country the chance to "grow together." Moscow has strongly protested against an Estonian law on foreigners which will hinder the naturalization of the Russian-speaking people, around 30 percent of the population. Von Weizsaecker, who is to end his visit to Estonia today, said Bonn will try to mediate between the two states with the aid of "quiet diplomacy."

Prime Minister, Economy Minister Arrive in Israel

WS1207112793 Tallinn ETA NEWS BULLETIN in English 0713 GMT 12 Jul 93

[From 12 July POSTIMEES, p 1]

[Text] Monday, July 12—Yesterday Premier Laar and Minister of Economy Sildmae travelled to Israel. They will meet with Premier Yitzhaq Rabin, Foreign Minister Shim'on Peres, Minister of Economy and Trade Mikha Harish, leader of the opposition Binyamin Netanyahu, Mayor of Jerusalem Teddy Kollek and other economic and bank figures. Under discussion will be the Estonian-Israeli economic relations; as said by the press service of the Government, an agreement on cooperation in culture would also be signed. During the visit the schedule of delivery of Israeli arms, purchased by Estonia will be specified.

Interior Ministry 'Black Berets' Deployed Near Narva

LD1007044393 Moscow Ostankino Television First Channel Network in Russian 2000 GMT 9 Jul 93

[From the "Novosti" newscast]

[Text] POSTFACTUM has learned from well-informed sources in Narva that around 200 employees of a special subdivision of the Estonian Interior Ministry—black berets—have been brought into that area ostensibly to guard the Narva hydroelectric power station. Around 100 volunteers from the paramilitary national organization Defense League [Kaitseliit] have also come to Narva and are in the area of the Narva hydroelectric power station.

According to the source, the Estonian authorities have taken these measures to prevent the referendum in the towns of Narva and Sillamaa, scheduled for 16-17 July, from taking place.

Centrist Faction Blames Ruling Coalition for 'Crisis'

WS1207101393 Tallinn BNS in English 1430 GMT 10 Jul 93

[Text] Tallinn, July 10, BNS—The whole responsibility for the crisis in north-east Estonia and Estonia's isolation lies on the ruling coalition and Pro Patria party, the leaders of the Estonian parliament's centrist faction claim in the statement released Saturday [10 July].

The centrist faction considers inadmissible the attempts to lay the blame "for the damage Pro Patria's activity has caused to Estonia" on other parties. The faction interprets it as another attempt to cause tensions among Estonians themselves.

"Estonia now faces a situation where Russia strives to take advantage of our badly drawn up and recklessly proclaimed aliens law to isolate Estonia on the international scene not only from the East, but also from the West.

"Unfortunately the public lacks truthful information about the matter at issue. The claims of the government and parliament members of the ruling coalition that Europe still upholds Estonia in all issues are not true. Actually the Council of Europe passed a resolution which, although not directly naming Estonia, warns that we may be excluded from the Council of Europe. The Helsinki conference adopted a resolution on Estonia giving the same warning. The discussion of the withdrawal of Russian troops from the Baltic states at the Helsinki conference remained feeble and had little effect. This is a great loss for us. (....)

"The unexpected submitting to and rushing through the parliament of the aliens law that was immediately taken advantage of by Russian diplomats makes one think that in our ruling circles there are influential people who under extremely patriotic slogans willy-nilly act in the interests of Russian politics, which include a crisis in north-east Estonia and Estonia's diplomatic isolation," the leaders of the centrist faction say in their statement.

Latvia

Ulmanis Comments on Relations With Russia

LD1107205493 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 11 Jul 93

[Interview with President Guntis Ulmanis by unidentified correspondent; from the "Itogi" program—recorded]

[Excerpt] [Correspondent] [passage omitted] Right after his inauguration, the president was kind enough to agree to be interviewed by the Itogi program.

Mr. President, are you satisfied with the state of affairs in interstate relations between Russia and Latvia?

[Ulmanis] I believe that the talks are not proceeding in a satisfactory manner. I find it difficult to say who is to blame.

[Correspondent] Your Excellency, how would you assess the position of the Russian population in Latvia at present? Do you think that certain things have to be changed, and what will your actions be with regard to this section of the population?

[Ulmanis] Relations are difficult. I will be directly engaged in studying this issue, since your first question is closely linked with the second one. As for practical decisions, it is hard to say at this stage what they will be. But I am setting myself a task to press for relations between all the sections of the population in Latvia to be normal and economically balanced, and for the situation we now have here to ease more and more.

Says Ties 'More Tense Than Desired'

LD0907184893 Moscow ITAR-TASS in English 1638 GMT 9 Jul 93

[By ITAR-TASS correspondent Galina Kuchina]

[Text] Riga July 9 TASS—"Neighbours should maintain friendly relations," newly elected Latvian President Guntis Ulmanis, elected to this highest post two days ago, said in an interview with ITAR- TASS on Friday.

Ulmanis said that he considers Russo-Latvian relations "more tense than desired." In his opinion, bilateral talks are proceeding not satisfactorily, and that he dare not say who was to blame for this."

The president said that on Monday, he was going to meet Foreign Minister Georgs Andrejevs and Latvian Ambassador to Russia Janis Peters to discuss the progress of the dialogue with Russia and its prospects.

"I wish the lack of mutual confidence go into the past, although this is difficult and will take some time. But if the people of the two countries treat each other with respect, all problems will be resolved in a different way," Ulmanis said.

As regards his policy in Latvia, the newly elected president said that he would try to establish "normal, economically balanced relations between all groups of Latvian residents and ease the situation in the country."

Biography of New Prime Minister Birkavs

WS0907151893 Riga LETA in English 1337 GMT 9 Jul 93

[Text] Riga, July 9 (LETA)—In accordance with the Satversme or the Constitution of Latvia, the newly elected Latvian President Guntis Ulmanis on Thursday [7 July] charged Valdis Birkavs, a deputy of a major faction in the new Latvian parliament, with forming the new government, which virtually means the latter has been appointed the ministers president or the prime minister of this country.

Valdis Birkavs, 51, is a graduate of the Latvia University, his record of studies being excellent. He is a career lawyer, and he has earned his doctor degree for his research papers on the protection of the economic system from white-collar crimes. Meanwhile he was a senior lecturer in the Latvia University law faculty, where he was also the deputy dean.

Valdis Birkavs has held senior positions with the Ministry of Justice for 17 years, twelve of those years as head of the forensic and criminology research laboratory. As an expert on criminal law and criminology he participated in numerous self-initiated, as well as government-sponsored research projects. He was the initiator of the first independent bar association in the then Soviet Union, the Jurists Association of Latvia, of which he is president. Recently he was elected as vice president of the club "Europe-21".

Valdis Birkavs was elected to the Supreme Council of Latvia in 1990. He was the deputy chairman of the parliamentary commission on legislation issues, and later on he was promoted to the post of deputy head of the Latvian Popular Front faction. He was elected the deputy chairman of the Supreme Council of Latvia in 1991.

Valdis Birkavs is an avid tennis player, alpine skier and a founder of Latvian Union of Cruising Yachts. He is married, his wife Aina is a barrister, and his son Gatis is a student.

Birkavs Cited on Proposed Ministerial Candidates

WS0907151693 Riga LETA in English 1337 GMT 9 Jul 93

[Text] Riga, July 9 (LETA)—Valdis Birkavs, a deputy of a major faction in the new Latvian parliament, whom the President Guntis Ulmanis on Thursday [8 July] charged with forming the new government, at a news conference on Thursday said he was going to name the ministers of his cabinet on July 15.

Valdis Birkavs as the appointed prime minister has already mentioned some candidates he was proposing for the posts of ministers of his cabinet. He named Ojars Kehris as eventual minister of economy, for the post of finance minister he proposed Uldis Osis, the portfolio of minister of state reforms was likely to go to Maris Gailis, and that of justice minister—to Egils Levits. Foreign Ministry will eventually be headed by its present minister Georg Andreyev. Notably, all the candidates for the key ministers' posts, named by the prime minister, are members of his faction "Latvijas Cels" ("Latvian Way"). "Issue of the other candidates for the ministers' posts is still open, for consultations within the coalition are under way yet," said Valdis Birkavs. He added that alongside with Uldis Osis and Georg Andreyev, who held the respective posts in the previous government, it was possible that two more ministers of the former Premier Godmanis team would be offered posts in the new cabinet. Valdis Birkavs did not rule out possibility that candidates of political parties, which had not formally joined the coalition, might also take some posts in the government.

The appointed prime minister pointed out he did not expect considerable changes to take place in the structure of ministers cabinet, which was laid out in a legislation of 1925. The act provides that there can be 12 ministries set up, including Ministries of Defence, Foreign Affairs, Economy, Finance, Home Affairs, Agriculture, Transport, Welfare, Justice, State Reforms, as well as a Ministry of Education, Culture and Science, and a Ministry of Environment and Regional Development.

Legislature Restores 1933 Constitution

WS0707153193 Riga LETA in English 1220 GMT 7 Jul 93

[Text] Riga, July 7 (LETA)—The Republic of Latvia's parliament restored the Republic of Latvia's Constitution of 1933 in full scope at its first plenary meeting on Tuesday [6 July].

This statement was personally signed by 98 out of 100 the Saeima's deputies elected on June 5 and 6.

Deputies also adopted the agenda. They adopted the statement on coming into force the Republic of Latvia's constitution of 1933 in full scope, they elected the commission on the count, the temporary credentials committee, the presidium and began the presidential elections. The Saeima's statement on support of Estonia in connection with passing the "Law on Foreigners" which caused Russia's negative reaction was also on the agenda of the fifth Saeima of the Republic of Latvia.

Lithuania

Landsbergis Alleges 'Secret Negotiations' With Russia

LD1107141193 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 9 Jul 93

[Text] Vytautas Landsbergis, leader of the Lithuanian Seimas right-wing opposition, maintains that people close to President Algirdas Brazauskas are conducting secret negotiations with Russia behind the back of the Lithuanian state negotiation delegation. According to Vytautas Landsbergis, impermissible concessions are being made to Russia at these secret negotiations.

This opinion was presented by Vytautas Landsbergis on national television yesterday. Today the leader of the right-wing opposition once again repeated his allegations, although he refused to give the names of the secret negotiators. Vytautas Landsbergis said his suspicions concerning the secret negotiations are a logical conclusion drawn from watching recent Russian actions toward Lithuania.

The leader of the right-wing opposition drew attention to the economic pressure being exerted by Russia and to the fact that the Lithuanian leadership is making more and more concessions to it. Now this economic pressure is developing into political pressure. If Algirdas Brazauskas is summoned to Moscow before the troop withdrawal, a proposal could be made to sign something which is not beneficial to Lithuania, the speaker maintained.

Meanwhile, Algirdas Brazauskas, speaking on Lithuanian television, denied these allegations by the leader of the opposition.

Brazauskas Denies Allegations

LD1107143393 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 10 Jul 93

[Text] Allegations by the leader of the Seimas opposition that unofficial Russian-Lithuanian negotiations are underway have been vigorously denied by Lithuanian President Algirdas Brazauskas.

Statements by the opposition and the press criticize the president for editing the draft text of the Lithuanian-Russian agreement on the withdrawal of troops, which was to have been signed in September last year, without prior coordination with the state negotiation delegation.

There are suspicions that the amendments in the text provide for considerable concessions concerning compensation for the inflicted damage.

Speaking on national television on Friday, Algirdas Brazauskas said the amendments are very insignificant and that the possibility of paying compensation with arms was exacted without linking it with the overall compensation for the damage inflicted to Lithuania.

The president said the damage done to Lithuania and its people since 1940 was one of the main issues in further Russian-Lithuanian negotiations. At the same time, he also stressed that certain compromises and flexibility are needed in the negotiations with Russia, as is the case with any kind of negotiations. Until today this was not the case; therefore, the president said, the agreements on economic cooperation with Russia have not been signed. The president said he will stimulate the preparation and the signing of the above agreements. No political or economic concessions will be made, however.

Russian Gas Concern To Restore Supplies

LD0907164893 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 9 Jul 93

[Text] Petr Radionov, general director of the Russian concern Lentransgaz, who is visiting Lithuania, met today with Prime Minister Adolfas Slezevicius and assured after negotiations, and after the payment of one third of the debt, the supply of gas to our country is being restored. It also became clear after the announcement that the supply of gas to Lithuania would be suspended, the valves have not been completely switched off: Lithuania's consumers have been supplied with about 6 million cubic meters of gas, and therefore its stocks have not been decreasing as fast as expected. Not a single consumer paying for the gas has suffered.

An agreement was reached during the meeting on the debt repayment schedule and on the prospects of cooperation with the concern. Tomorrow, or the day after tomorrow, the normal gas supply to Lithuania will be restored, but it will be supplied to solvent consumers only [as heard].

The state debt to the supplier of natural gas should not be increasing, said the prime minister.

The concern Lentransgaz has its oil, too. If the sides reach an agreement, it could be supplied to Mazeikiai and thus the concern would be competing with other Russian companies. Negotiations with the concern on this issue and also on the auctioning of its capital [as heard] with our enterprises, consuming large quantities of gas, will continue.

One third of the debt to Russian gas suppliers will be repaid, but so far nothing is known about the settlement of accounts with the Russian company supplying nuclear fuel to the Ignalina nuclear power station.

Russian Demand for Nuclear Fuel Debt Payment Reported

WS0907150993 Vilnius ELTA NEWS BULLETIN in English 1240 GMT 9 Jul 93

[From ELTA "NEWS BULLETIN" No. 283]

[Text] 8 July 1993—Russian stock company "Techsnabexport" has sent a telegramme to the Ministry of Energy wherein it demands to pay a debt of 27.6 million U.S. dollars for the nuclear fuel used in the Ignalina nuclear power plant. Lithuania has not paid for the batch of the cassettes of the nuclear fuel already received. According to Minister of Energy Algimantas Stasiukynas, there is no such amount of money collected, therefore, they are looking for Western financial organizations who could give loans for this purpose. The price of cassette of the nuclear fuel rose six times. To keep Ignalina's plant working till the next spring, we need 900 cassettes and they will cost around 54 million U.S. dollars. According to Mr. A. Stasiukynas, the rise of prices for the electricity is not in the agenda. The running price is 8 cents for kilowatt-hour and it also covers the cost of the nuclear fuel, but financial resources have not been gained yet. Minister thinks that the running price of the electricity should have been set long before. Whether this tariff will change depends on the exchange rate of litas in respect to U.S. dollar.

Border Negotiations Continue With Kaliningrad Oblast

LD1107095993 Vilnius Radio Vilnius Network in Lithuanian 0700 GMT 11 Jul 93

[Text] Lithuanian and Russian delegations in Kaliningrad have held a regular round of negotiations on the delimitation of the state border with Kaliningrad Oblast.

A public communique says the two sides agreed to hold another meeting in Lithuania in August.

Virgilijus Papirtis, deputy foreign minister and chairman of the state commission on the demarcation and delimitation of state borders, and (Gariy Nykhov), deputy head of the Kaliningrad Oblast administration and chairman of the state border commission, took part in the negotiations.

Brazauskas on Russian Troop Withdrawal

LD1107145093 Vilnius Radio Vilnius Network in Lithuanian 1200 GMT 11 Jul 93

[Text] Lithuanian President Algirdas Brazauskas believes the signing of a new agreement with Russia by the heads of the two states on the withdrawal of Russian troops from Lithuania should be postponed or not signed at all.

The Lithuanian head of state said this on Lithuanian television. He indicated that he is fully satisfied with the progress in implementing the agreements on withdrawing the Russian armed forces which were signed at ministerial level by the two countries on 8 September 1991; these agreements say the withdrawal should be completed by 31 August 1993.

Algirdas Brazauskas also called for the preparation and signing of trade and economic cooperation agreements with Russia to be speeded up. According to him, the conditions for concluding the above agreements should not be packed with other problems, in particular with the problem of compensation for the damage inflicted on the state of Lithuania.

Prime Minister on Importance of Ties With Russia

LD1107125893 Moscow ITAR-TASS World Service in Russian 1046 GMT 11 Jul 93

[By ITAR-TASS correspondent Vladas Burbulis]

[Text] Vilnius, 11 Jul—"The Lithuanian Government attaches great importance to relations with Russia, and especially to bilateral cooperation," stated Adolfas Slezevicius, the republic's prime minister, in an interview with this ITAR-TASS correspondent today.

He was summing up the results of the 100 days which the new cabinet of ministers has spent in power. The cabinet was endorsed by the Seimas after the victory at the elections of the Lithuanian Democratic Labor Party (LDLP). Adolfas Slezevicius is also chairman of the LDLP.

The head of the Cabinet of Ministers said the legacy inherited by the present cabinet is dismal in every sphere. However, despite the critical state of the economy, over these 100 days the government has already succeeded in making a few positive changes in the economy. First, a national currency, the litas, has been introduced, and the rate of inflation fell from 163 percent in 1992 to 119 percent in the first six months of this year. Output has stabilized in several branches of the Lithuanian economy.

Speaking about foreign policy, the prime minister noted that "it is oriented toward the processes of integration in Europe," recalling that on 14 May Lithuania was accepted into the Council of Europe.

Special attention is naturally devoted to relations with neighbors, he stressed. "In this context, the development of specific and mutually profitable economic cooperation with Russia, Belarus, and Ukraine is extremely important to us," he said.

The Lithuanian prime minister pins great hopes on his forthcoming meeting with Viktor Chernomyrdin, the head of the Russian Government, which should take place in Moscow in the next few days.

Further on Slezevicius Comments

LD0907220393 Vilnius Radio Vilnius Network in Lithuanian 1315 GMT 9 Jul 93

[Interview with Prime Minister Adolfas Slezevicius by correspondent Dora Petkauskaite; place and date not given—live or recorded]

[Excerpt] [Announcer] One hundred days have elapsed since the new Lithuanian Government began its work. This is a serious occasion to talk about its first achievements and failures. Yesterday, Aloyzas Sakalas, the chairman of the Social Democratic faction, at the Seimas session drew the Seimas members attention to the fact that it was decided in parliament during the approval of the government program, that by 1 July Adolfas Slezevicius would submit additional proposals on the structure of Lithuanian industry and would acquaint the Seimas with it. This date has passed, and the government has not mentioned such a proposal. According to Aloyzas Sakalas, and I quote: The time has come to criticize the government and the question arises about confidence in this government, end of quote.

Dora Petkauskaite interviews Prime Minister Adolfas Slezevicius on the occasion of this 100 day anniversary.

[Petkauskaite] During these 100 days what work has not been carried out by your government?

[Slezevicius] The most important problem that remains unsolved and that has become more important is the settlement of accounts. There are huge debts for supplied agricultural products, disorganized settlements of accounts among enterprises, and this is a vitally important issue. We have had and are having discussions with the Lithuanian National Bank. Credit resources are essential to us. We have been able, together with the Bank of Lithuania, to defer the payment of interest to 1 October.

The debt for gas supplied to Lithuania since the end of last year, $43 million, debts to us by Kaliningrad oblast and Belarus, the debt by the Ukraine. We have discussed these issues with Mr. Shakhray in Kaliningrad, during our meeting in Svetlogorsk, and with Mr. Kuchma at the meeting day before yesterday. This has been discussed by the Lithuanian National Bank and the Ukrainian National Bank. We agreed to solve within the next 10 days the issue of these debts. We have agreed with Belarusian Prime Minister Kebich, that they would pay the debt last month, but so far only the first fragile steps are being made in this direction. Indeed, this is, perhaps, the most pressing problem.

[Petkauskaite] What can you tell a housewife who is cooking her dinner today and looking with anxiety at the gas flame in her kitchen?

[Slezevicius] Today, after a meeting with the leader of Lentransgaz, Radionov, the discussion was positive and the debt of $10 million that we have already transferred, and a credit in the sum of $15 million from the World

Bank that should be solved within the next few days; they have confirmed that they will pay in two or three days, this payment of $25 million that we have to pay in accordance with our obligations, this payment will be made and Russia has pledged itself that from tomorrow the supply of gas will be normal and gas will be supplied to all economic enterprises that are solvent. Of course, we cannot sell gas to insolvent economic enterprises.

We, together with the leaders of the Leningrad gas supply enterprise, prepared new objects of our cooperation in the nearest future, that we may set up a joint enterprise, and this is a long term strategy. In gas supply we are going to be linked with Russia for a long time. Making use of Estonia's experience, where a joint stock company has been set up, it would be a good step in our stable cooperation. The gas supply association is a shareholder, it has about 27 million tonnes of oil. They are interested in supplying oil to our Mazeikiai oil refinery. They are also interested in cooperation with the Jonava Azotas [Nitrogen] works, because it is an important consumer of gas. It consumes three and a half million cubic meters per day working at full capacity. They understand that at present gas prices our fertilizers are not competitive on the market, but they need the market to sell gas. They would supply gas at a lower price so that we could be competitive. Correspondingly they would take part in the division of profit.

The discussion was constructive and positive. In reply to your question about the housewives, about the mood of our people, they may rest content that gas will be supplied to Lithuania, the debt, as they say in Lithuania, is not a wound, it will not heal, we must pay. On the other hand, it is not pleasant, but we have been compelled to increase the price of gas and if we had not taken such a decision, this debt would be increasing. At present the price of $90 for industrial enterprises and $70 to residents will be sufficient to make this branch of industry self-supporting.

[Petkauskaite] People who criticize you find arguments of reproaching the government in those spheres where, as if, no money or special resources are needed because they miss certain verbal expressions by the government in its work. Yesterday the leader of the Social Democratic faction in the Seimas, Aloyzas Sakalas, criticized the present government that in the 100 days it has been unable to submit a corrected program of economic activity to the Seimas.

[Slezevicius] I can imagine what a wide scope there is for the opposition forces to criticize the government. I wish to draw attention to the fact that the critics should also note those operations that are being carried out. Speaking of the program of activity that we had to submit, I wish to inform the people of Lithuania and those who criticize us, that such a program has been prepared, we discussed it at the last government meeting together with the chairmen of the Seimas committees. They expressed some criticism, we evaluated it. This program has been prepared for printing and it will be submitted to all who are interested in these issues. Without boasting, I wish to stress that we are the first government out of six governments that has prepared such plan of concrete actions. A large volume of 50 pages which is weighty not in the number of its pages, but in the volume of laws, legal acts, and other documents. It shows what great work is expected from our and, maybe, from the future governments in realizing the transformation of our republic's economy from the planned to the market economy. We are aware of the difficult situation.

Statements are being made about a dramatic fall in living standards. I wish to say only one thing, without making excuses. What are the causes of this fall? They are very simple. Since last autumn Russia, as a foreign state, started charging world prices for energy. The price of gas increased in one year by 850 times, the price of oil—by 550 times, the price of electricity as a result of this increased by 140 times. It is natural, since our whole economy is energy consuming, that this created a great problem. Unfortunately, our government inherited 100 days ago an economy with its debts, with this decline, with great mistakes of the reforms, especially in agriculture, with a complete destruction of the countryside. This year we are going to produce three times less meat than in 1989, not three percent, not thirty percent, but 300 percent less. This is the complete explanation as to why we live at present like this.

There are many other problems linked with your question, too...

[Petkauskaite, interrupting] Five or four minutes remain until the end of our conversation, and I have three questions that you must answer. The first question is a follows: The cabinet policy from the point of view of the personnel. After Albertas Sinevicius, the minister of trade and industry, left his post, there emerged in press articles criticisms of him and attempts at explaining why he was dismissed. At present many knives are aimed in the press and in other rostrums at the Lithuanian Foreign Minister Povilas Gylys. What could you say about the future of the Lithuanian Cabinet of Ministers?

[Slezevicius] It is a topical problem. I think that the present composition of the cabinet is able to implement the government program and the program of concrete actions that we have prepared. I do not see any problems regarding the present composition of the cabinet. I am aware of the fact that there are many people interested in sowing a certain grain of distrust in the cabinet, in setting off ministers against each other, in setting off the prime minister against individual ministers. I think there will be more ministers subjected to criticism. There is distrust in Minister Vilkelis. I think this is normal striving to introduce certain instability. I mentioned this at a cabinet meeting and wish to assure you that I have always been a supporter of stability. The ministers shoulder great responsibility and we cannot experiment as it used to be—Lithuania had been becoming a school of ministers. [Words indistinct] six prime ministers. Not a single country may boast about it. Each prime minister means a new loss of tempo, a stoppage of economic reforms, a new concept, and we have lost a great deal in doing this, we all must be aware of this. [passage omitted]

Foreign Ministry Expresses 'Concern' Over Azerbaijan

WS0907151193 Vilnius ELTA NEWS BULLETIN in English 1240 GMT 9 Jul 93

[From ELTA "NEWS BULLETIN" No. 283]

[Text] 9 July 1993—Lithuanian Foreign Ministry expresses it's deepest concern for the use of military force in resolving political crisis in the Republic of Azerbaijan. We think that such actions threaten to the region's security, violates human rights and does not promote democracy in the country. We also regret for the death of people and express our sympathy with their families and relatives. We believe, that application of democratic principles is the best way to resolve political problems.

Brazauskas Discusses Foreign Policy Aims

LD1207111293 Moscow ITAR-TASS in English 1058 GMT 12 Jul 93

[By ITAR-TASS correspondent Vladlas Burbulis]

[Text] Vilnius July 12 TASS—"We shall try to balance the interests of the East and West meeting in Lithuania, giving them an equal weight without missing an opportunity of making our own decisions and reserving the right to make a choice," Lithuanian President Algirdas Brazauskas said in an interview with ITAR-TASS, discussing the most important principles of Lithuania's foreign policy.

"The principle of being a bridge between the East and West is extremely important for us as well, since on this basis we shall attempt to create conditions in Lithuania, favourable for investments, entrepreneurship, customs duties and taxes, tourism and transit. We shall try to attract the interests of the West by our possibilities in the East, to which we have committed ourselves because of Lithuania's geopolitical situation, " Brazauskas said.

The principle of repudiation of the use of force and maintaining stable relations with our neighbours means that Lithuania pledges to observe international treaties and conduct its foreign policy regardless of the results of political struggle inside the republic.

"Undoubtedly, the principle of non-violation of borders envisaged by CSCE documents, is important for Lithuania as well. Lithuania has no territorial claims to its neighbours," Brazauskas said.

Touching upon Russo-Lithuanian relations, Brazauskas said that he sees no serious objective reasons preventing Lithuania from signing interstate agreements on good-neighbourly relations with the Russian Federation, Poland and Belarus. Our position as regards processes underway in Russia, in fact, coincides with efforts made by major world countries to support the strengthening of democracy and reforms in this huge country. Moreover, as Russia's neighbours, we are vitally interested in this and do not intend to break our traditional cultural and economic ties. We hope that they will be transformed into normal, civilized relations between equal partners," Brazauskas said.

Brazauskas Meets Leaders of 'Citizen's Charter'

WS0907151393 Vilnius ELTA NEWS BULLETIN in English 1240 GMT 9 Jul 93

[From ELTA "NEWS BULLETIN" No. 283]

[Text] 9 July 1993—On July 7 Algirdas Brazauskas had a meeting with the leaders of the oppositional movement—Citizen's Charter. The Charter was formed two years ago and has 42 citizen's clubs which have more than a thousand members. The Charter won 10 seats during the Seym election and forms a separate fraction. After Seym and presidential elections, the representatives of the Charter emphasized, the violations of constitutional and citizen's rights became more frequent. Some of the Seym's documents, Government's resolutions and acts contradict the Constitution. Unlawful acts limiting citizen's liberties are inherent in almost all governing structures. Violations are registered in the public constitutional supervision commission which informs public about those violations, but the official reaction is absent. The Constitutional Court has not started operating yet. Corruption among bureaucracy and crimes are reasons for a big worry. And the fact that active executors of the stalinistic genocide still walk unpunished, say Charter's leaders. They also think that the information is also being limited. The oppositional parties including the Charter have actually no access to television, some programmes are already under the censorship. Participants of the talk with the President criticized the directives of the agriculture wherein the constitutional property right is being violated. Algirdas Brazauskas informed that a project of the Legal Reform has been worked out and will be discussed in the Seym. New laws will have to be adopted. And only the latter not emotions will serve as guideline in fighting any violations. President reminded that a few years ago the Labour Democratic Party was insisting on adoption of the law of the Constitutional Court but the majority of the parliament of that time was deliberately delaying this issue. President repeated what he has said many times: everyone guilty before Lithuania and it's people must hold responsibility according to the existing law. Everybody's personal guilt must be proved in the court. In respect to that, Algirdas Brazauskas criticized lack of activity from the General Prosecution Department. Algirdas Brazauskas refuted criticisms regarding the monopoly of the media and limitations of the freedom speech. The work of TV is managed by it's staff and neither President not Government interferes into it's life. I am strongly convinced, said Algirdas Brazauskas, that land reform was on the wrong path from the very scratch. That, in fact serve as the reason why former political leaders lost the elections. Mistakes are being corrected but that will take time. President stressed that the Constitution does not take away property rights. The matter is utilization of property for the sake of state. He reminded that this regulation is included in the Constitution.

Social Democrats Criticize Government, Central Bank

WS1207101493 Tallinn BNS in English 1430 GMT 10 Jul 93

[Text] Vilnius, July 10, BNS—The council of the Lithuanian Social Democratic Party (LSDP) issued a statement with regard to actions of the ruling Lithuanian Democratic Labor Party (LDLP) government, which marks its one hundred days in office.

The Social Democrats see a principal fault in the absence of a program on ways to restructure the country's industry, which the LSDP faction demanded in parliament before July 1.

The Social Democrats consider themselves in opposition to the ruling LDLP. They did not enter the government, however Aloyzas Sakalas, chairman of the LSDP, took the post of parliament vice chairman.

The LSDP says "it is high time for sharp criticism of activities of the LDLP government" and urges labor unions to start using active forms of legal pressure on the government.

"The account of the LDLP government in parliament becomes one of the principal tasks for the LSDP faction.

The question of confidence in the government arises," says the LSDP council in a statement read out at a plenary session of the parliament.

The latest meeting of the LSDP council was held Sunday [11 July]. Several statements were adopted, including a critical statement on the activities of the central bank.

The Social Democrats disagree with the requirement to sharply increase the reserves of commercial banks. They say the step creates problems for the development of small and medium business. The LSDP leadership thinks the central bank's policy is directed at the state-monopoly capital, it impoverishes people and falls short of modern requirements.